Short-Weighing Retailers (Page 1) **Graham F. Towers (Page 9)**

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

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The Nation's Business

Bank of Canada's New Governor
Sanford Evans Speaks Bluntly at Winnipeg
National Relief Policy Urgently Needed
Mr. Filene Talks Twaddle in Canada
Government Seeks Aid from "Big Business"
Cost of Canada's Tariff Over-estimated

Canadian Heads Bank of Canada

OPINION seems unanimous in praise of Graham F. Towers as the first Governor of Canada's new central bank. To business men he is not so well known as he will be a few years from now, but those who have come in personal contact with him will bear testimony to his ability for clear thinking and sound judgment.

To his new job he will bring the excellent background of a university trained mind, tempered in the hard, practical school of Canadian banking. He is a rather rare combination of a keen economist and sound banker—qualities which are largely responsible for his rise to a key position in one of Canada's largest banks and his subsequent choice as central bank governor.

The choice of Graham Towers meets a fundamental need repeatedly insisted on by The Financial Post, namely that the first governor of the bank must be a Canadian. It involves too a man who seems well able on his past record to hold his own among his fellow officials and colleagues— one at least of whom will be a Bank of England appointee, much more versed in the machinations of central banking than this able but youthful Canadian.

* * *

Canadian Chamber of Commerce Meets

TO W. SANFORD EVANS, versatile western political leader and business man, goes the major share of credit for the success of the ninth annual meeting of the Canadian Chamber of Commerce at Winnipeg this week.

In the first place he brought together what is probably the most representative group of outstanding business leaders of Canada that has met in post-war years. The programme was practical and the speeches covered bluntly national problems of direct interest to business such as the ethics of competition, governmental expenditure, relief for unemployed, constitutional reform and so forth. Agriculture is the only national interest not fully represented.

Second, for delivering an address which set forth the simple objectives and ideals of business in a straightforward manner. Most business leaders have retired under fire of current social and economic criticism and have permitted quack reformers and theorists to do all the talking. Sanford Evans struck back with homely truths in an address that challenged critics of the demagogue and brain trust types and laid blame for depression squarely where it belongs, namely at the door of ward-making politicians who now seek to undo their mistakes by economic planning through new bureaucracies.

* * *

Solving Canada's Relief Problem

ONE important contribution of the Winnipeg meeting was the timely, clear-cut appeal of Charlotte Whitton for a sound national policy in respect of the Canadian relief problem. Miss Whitton is executive director of the Canadian Council on Child and Family Welfare, which since 1920 has done excellent work in this increasingly important field.

From her vantage point at Ottawa she sees two essentials that must be observed in this problem. First the need for tackling it in a permanent manner and on a sound nation-wide basis; second, the necessity of maintaining the relief administration on a local basis rather than allowing responsibility to shift beyond either the individual community or provincial area.

* * *

IN HER address, reprinted elsewhere in this paper, she cites many facts to demonstrate the magnitude of this problem. She discloses that in eight of the past 14 years, the relief problem in Canada has been of sufficient importance to warrant the federal government declaring an emergency to exist and voting funds for its solution. She also points out that at no time since October, 1932, has the number of persons on relief in Canada fallen below the million mark—or roughly one-tenth of our population; and that this winter alone the cost to

(Continued on page 2, col. 3)

MONEY NEEDS SASKATCHEWAN ARE 60 MILLION

But Province and Ottawa Fail to Agree on Terms

CONTROL SOUGHT

Dominion Suggests Creation of Federal District in Drought-stricken Area

From Our Own Correspondent

OTTAWA—Grave anxiety is manifest at Ottawa with regard to the economic condition of Saskatchewan, and while negotiations to date have failed to bring agreement as to the terms of Dominion assistance, the dimensions of the financial problem are revealed at approximately $60,000,000. This money, it is believed, is urgently required to serve two purposes:

1. To meet the immediate, unfunded debt problem of the province, and

2. To enable the provincial government to cope with drought conditions during the coming winter and spring.

Clash With Ottawa

The Saskatchewan Government, it is learned, has presented its case at Ottawa showing an urgent need of money to the extent indicated. The presumption is that the province fears that the Dominion must come to its assistance and provide, either by cash or loan, the greater part of this money.

The Dominion cabinet after giving the problem serious consideration has not been able to arrive at a decision, save on one point. It has been suggested to the provincial government very forcefully that in so far as the requirements of the coming winter and spring are concerned the province should surrender completely its jurisdiction over a substantial part of the drought-stricken area and permit the Dominion to govern and finance it as a Federal district. This, the province has found itself unable to agree to.

Finances Chief Problem

The main problem of Saskatchewan is hedged about by minor problems and on these there have also been negotiations. Such a one is the problem of removing 75,000 head of cattle from the drought area (another fifty to seventy five thousand head are in similar dire straits in Manitoba and Saskatchewan) in order to save them from starvation and their owners from a complete loss.

But the main problem facing the province is one of financial embarrassment and it is obvious that something will have to be done at Ottawa to meet the emergency in the immediate future.

Unfunded Debt $50,000,000

The Gardiner Government, it is understood, faces a short term, unfunded debt problem of close to $50,000,000. Of this some $29,000,000 is owing to Ottawa on one year treasury bills and is by no means urgent. But the Gardiner Government found that the former ministry had borrowed $11,000,000 from the banks on treasury bills and the banks are requesting repayment. The recent long term loan of $3,000,000 was used to reduce this debt to the banks.

There are rural relief accounts of last winter outstanding to the amount of $5,900,000. This money is owing to merchants, commission men, implement companies, oil companies, railways and a host of private citizens. It must be paid.

A debt of $480,000 on account of relief settlement is owing to land companies and private individuals who sold property and equipment to the province to be used by new settlers. Road contracts call for payment of $150,000 to contractors.

Dispute Ottawa Guarantee

These, it is understood, are the more pressing items in the province's debt problem. It is probable that some of them will be refunded by long term loans but a substantial loan from the Dominion would seem inescapable unless the debts are to be repudiated. As a matter of fact, members of the old Anderson Government declare that they received promises of loans to cover most of them from the Bennett Government, before the expenditures were made. But there is nothing in

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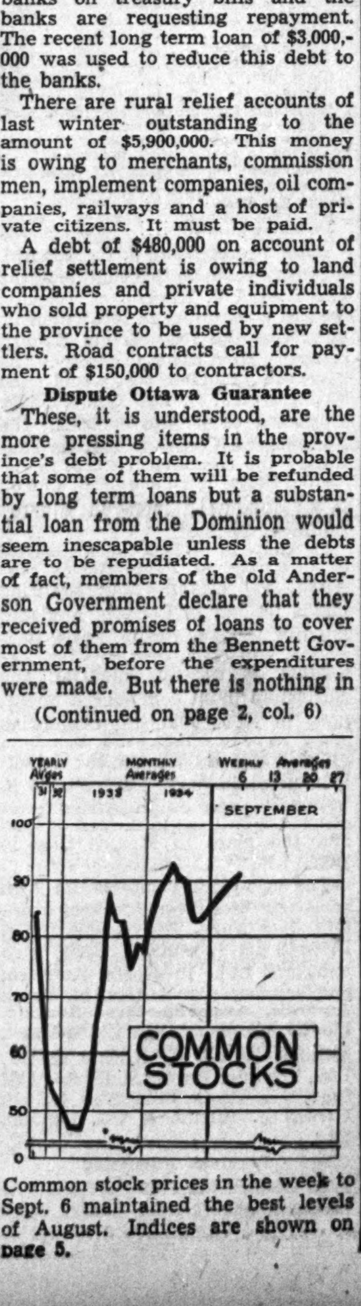
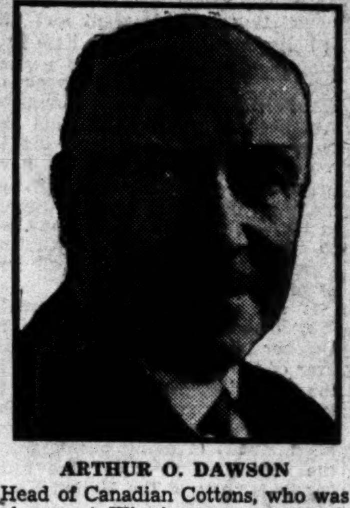


Common stock prices in the week to Sept. 6 maintained the best levels of August. Indices are shown on page 5.

Heads Business Men



ARTHUR O. DAWSON
Head of Canadian Cottons, who was chosen at Winnipeg as new president of Canadian Chamber of Commerce. For character sketch see page 3.

TO CHECK UP SHORT WEIGHT FOOD STORES

National Survey is Following Disclosures at Ottawa

CHARGES LAID

Chains and Independents Alike Careless — Some Retailers Develop Trouble-proof System

From Our Own Correspondent

OTTAWA.—A nation-wide check-up on grocers and butchers has been launched by the Trade and Commerce Department as a result of evidence brought to light in a survey of such establishments at Ottawa.

It was found at Ottawa that many of these retailers are short-weighing their goods and as a result of the survey more than 50 charges were laid of violating the Weights and Measures Act. Fines aggregating $600 were imposed.

The Ottawa survey, contrary to statements that have been made in some quarters, did not reveal that so-called chain stores are the chief offenders. Chain stores and private merchants of the corner store variety were equally careless with their weights and both contributed to the sum total of fines imposed.

As a result of the information obtained in the Ottawa prosecutions it was decided to check over these retail establishments in all the larger cities of the country. Inspectors are now operating at Montreal and Toronto and will proceed west probably next week.

Scales at Fault

It is not contended by the department nor was there anything adduced in the evidence given in the Ottawa prosecutions to show that merchants deliberately short weighted customers. On the contrary, the evidence showed that most merchants buy scales which they believe are faultless and they do not have these scales tested as often as they should do. Moreover a good deal of the short weighing occurs in packaged goods and it was shown that this was due largely to carelessness. Going over large numbers of these packages it was found that they were over-weight just as often as under-weight. The department laid no charge unless the goods were under-weight to the extent, at least, of half an ounce in the pound and, in the charges laid, a distinction always was made as between under-weighing and faulty scales. The former was regarded as the more serious offence.

Fined

The charges were laid August 1, and all cases were disposed of by August 25. Among those fined were: Charles Hickman, J. Freedman and Son Ltd., Dominion Stores Ltd., Metropolitan Stores, S. S. Kresge, Zellers, Elizabeth D. Bon, Bessie Slone, the A. and P. and the Stop and Shop.

Taking Steps

The Financial Post understands that many large stores are contemplating steps that will eliminate the danger of short weights in future. though it is pointed out that in some cases a hundred per cent elimination of either short or overweights is impossible. One organization has already a system in existence it is understood, which has kept it free of this trouble. This system cost a considerable sum of money to develop but it is believed to be well worth while and as completely satisfactory as any such system can be. Other firms told The Post that they were investigating the installation of new scales and possibly a closer and more frequent system of inspection which would check more closely shrinkage of goods and faulty scales.

B.C. Norgold Alters Name to Atlin Pacific Mining Co.

Norgold Mines of B. C., who were recently compelled by the British Columbia Government to change their name after confusion following the application of an Ontario Company for listing on the Toronto market, has decided to change the name of the company to Atlin Pacific Mining Co.

INT'L HYDRO EXPLAINS CUT OF DIVIDEND

Pref. Dividend Deferred When New England Pwr. Omits Dividend

STRIKES COSTLY

Holders of System's 6% Debentures Partly Protected by Postponement of Preferred Dividends

From Our Own Correspondent.

MONTREAL. — New England Power Association's action in eliminating dividends on its common stock, of which 88 per cent, is held by International Hydro-Electric System, has made it necessary for the latter to forego dividends on its $3.50 preference stock, of which there are 144,799 shares outstanding. International Hydro 6 per cent debentures of 1944 suffered a sinking spell with the announcement of passing of the preferred dividend.

Dividends on the common shares of New England Power were paid continuously at the rate of 50 cents a share quarterly from 1927 until June of this year, when the distribution was reduced to 25 cents a share.

Reasons for Action

The reasons given by the directors for reducing the dividend in June were adverse business conditions, burdensome and discriminatory taxation on the industry, increased payroll costs, due to compliance with the N.R.A., and increased costs of operating materials and supplies.

In an announcement confirming the postponement of action on the common dividend, the company states that no action was taken because business has been no better during the summer and any improvement which might have been anticipated this autumn has been negatived by the textile strike, which has already cut heavily into earnings. In addition some of the company's larger operating subsidiaries face substantial increases in local taxes.

System Dividends Omitted

Under more normal circumstances International Hydro-Electric System, one of the two major divisions of International Paper and Power Co., receives about $1,600,000 a year in cash income from New England Power. With New England Power common dividends cut off, directors of International Hydro-Electric were forced to postpone dividend action on the System's preferred stock.

International Hydro has outstanding $30,000,000 of 6 per cent convertible debentures; 144,799 shares of preferred; 858,197 shares of class A; 1,000,000 shares of class B and 40,000,000 shares of common. No dividends have ever been paid on the latter two classes of stock. The dividend on the class A was paid up to April 15, 1932, but none since. At present the System is paying interest only on its debentures.

Bondholders' Fears

Investors in International Hydro 6 per cent debentures have been apprehensive of some unfavorable development because of the marked weakness in the price of the issue for some time. The bid price for the bonds in Toronto was 49½ on Sept. 11, compared with 53 a week earlier and about 60 early in June.

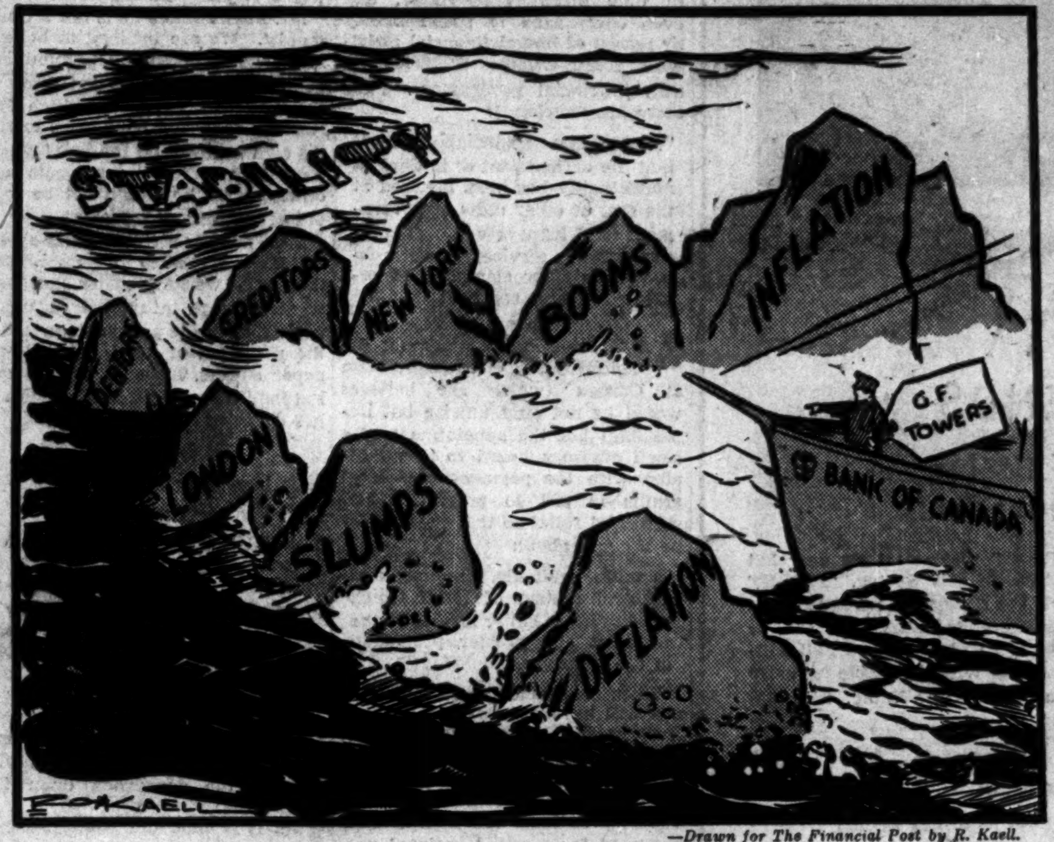
The passing of the preferred dividend is looked on as a protection to debentureholders. While it indictates a shrinkage in the System's income, the deferring of payment on the preferred stock furnishes a substantial offset to the decline in the coverage for debenture interest.

Interest on the International Hydro 6's was earned 1.43 times before allowing for depreciation, and 1.22 times after this allowance in 1933. The debenture interest was covered by almost exactly the same margin in 1932. Quarterly statements to the end of June, 1934, do not indicate any substantial change in net revenue from the 1933 figures. But they did not reflect the stoppage of the New England Power Association's common dividend.

Income and Costs

In 1933 net income of International Hydro was $35,211,166, and after payment of bond interest, depreciation and tax allowances, and payments on securities of subsidiaries, there was a net profit of $2,418,455. It can be seen that reduction of $1,600,000 in cash income would reduce the latter figure appreciably. Nevertheless, debenture interest, depreciation and other allowances would still be covered on this basis.

A. R. Graustein, president of International Hydro, explained in the last annual statement that increased costs in the United States had absorbed more than the benefits from increased output of power. The tax of three per cent on revenue derived from sale of power alone resulted in additional taxes of $550,000 a year for the System. Co-operation in the N.R.A. was also estimated to have cost the company $500,000 in the increase in the annual payroll. And at the same time he warned that to the extent that the directors feel that it is "necessary to provide funds out of earnings for the reduction of debt or for building up of a reserve to meet coming maturities, the System will have less cash available for dividend distribution to its stockholders."



—Drawn for The Financial Post by R. Kaell.

A TROUBLESOME CHANNEL FOR THE NEW PILOT

SAY EARNINGS NOT AFFECTED BY ENO SALE

International Proprietaries Control Again in English Hands

GOING CONCERN

After six years in Canada, control of J. C. Eno Ltd., manufacturer of the well-known health salts, has again passed into English hands. The change, however, will not affect Canadian investors, it is reported, and present substantial earnings are expected to continue.

Holdings of Mrs Harold F. Ritchie of Toronto, in the class B stock of International Proprietaries Ltd. which owns the Eno companies, have been acquired by the London & Yorkshire Trust Ltd. It is believed that the latter company is acting for strong United Kingdom interests, the name of which has not yet been disclosed. Chas. M. Henning, president of International Proprietaries, is in England at present and it is considered likely that the sale was negotiated through him. No price has been mentioned but it is known that when the Eno company was purchased by the late Harold F. Ritchie of Toronto in 1928 somewhere between $7,000,000 and $8,000,000 was paid. Since then the company has been extended considerably.

Continue Management

It is understood that the company will be carried on with the present management and name, the control simply being turned over by the Harold F. Ritchie estate. It is also understood that the sale of the class B shareholdings mentioned includes control of the whole of International Proprietaries, which largely consists of Eno agencies and factories throughout the world as well as the Thermogene Company, Globe Distributors Ltd and Minards Liniment.

While no official pronouncement, beyond the bare notice of sale, has been forthcoming, The Financial Post has been assured by authorities close to both interests involved that the change will not affect holders of Class A stock in International Proprietaries. There are a large number of these in Canada due to the public flotation of the issue in June, 1928. At that time the stock was sold for $40 per share, and while there has been little activity in it recently, quotations have approximated that figure, recent sales being quoted at about $35 or $36. At Dec. 31, 1933, there were 223,265 Class A shares outstanding.

Since the announcement of sale, naturally, there has been more interest in the stock and some uneasiness, but the latter fear, The Post is informed by authorities close to the company, is groundless. Many of

(Continued on page 2, col. 6)

Week's Figures Feature Increase In Car Loadings

Car loadings provide the feature of business indices released during the past week, rising above the 1931 level for the second consecutive week, largely on account of heavy grain loadings in the western division.

Footwear production was at a very low level in July, it is revealed, production being the lowest for that month in the past six years.

			Change From Prev. Period	Change From Prev. Year
Monthly		July '34	%	%
F'twear prod.	pairs	1,331,966	—22.7	—32.6
Flour prod.	bbls.	1,072,747	—4.8	—19.0
Weekly*				
Car loadings	No.	52,888	+9.7	+16.1
Cattle sales	No.	13,426	—1.2	+13.0
Hog sales	No.	13,263	+16.4	—6.0

*Weeks ended Sept. 1, 6 and 6 respectively.

EXPECT HIGHER TOBACCO PRICE AS CROP LIGHT

Ont. Flue-cured Growers Confident of Heavy Demand

GIVE FOUR REASONS

Despite the failure of the manufacturer-grower price agreement plan, and whether or not a local marketing board is set up under the Marketing Board Act, Ontario flue-cured tobacco growers expect profitable prices for their 1934 crop. However, total revenue will likely be between $4,000,000 and $5,000,000 or approximately the same as in 1933. due to the short crop. About two-thirds of this year's crops is safely in the kilns and, while rain delayed harvesting last week, the balance is expected to be handled this week.

Four distinct reasons were given to The Financial Post for this expectation of a higher price. Briefly, these were: A small crop of average quality; stocks on hand have recently been wiped out by a purchase presumed to be for British interests; the high prices which have prevailed at Carolina tobacco auctions, which will greatly increase the price of competitive imported tobacco; and the fact that the growers' fear of the tobacco buyers has been allayed by the Stevens investigation.

Acreage Reduces

It is estimated that due to the 25 per cent acreage reduction agreement, high winds during the planting season, drought, hailstorms and early frost, crops this year are being harvested from 16,500 acres as compared with 25,000 acres a year ago. Production in 1933 was 22,000,000 pounds so that, using the same average yield (which is stated to be approximately correct for 1934) production this year will amount to 15,000,000 pounds.

Prices last year averaged approximately 20 cents a pound, although, because of a carryover of between five and six million pounds which was only sold last week, this figure may require some upward revision. On the basis of 20 cents, however, the value of the crop to growers was $4,400,000. The first average aimed at this year was 27 cents which would give a value to the crop of $4,050,000. An average better than 27 cents is now hoped for, however.

Announcement Premature

The planned price agreement between the growers and leaf buyers, which was an outcome of the Stevens investigation, was declared automatically wiped out when the W. C. Macdonald, Inc., and Canadian Leaf of Chatham, two of the four largest buyers, failed to sign before July 31.

Hon. Robert Weir's announcement that a tobacco board would shortly be set up to control the tobacco sales and help boost exports is stated by growers to be somewhat premature. A draft resolution asking for such a board has been drawn up but has not yet been circulated among the growers.

Insurance Officials Tour Western Wheat Fields

Louis L. Lang, president of the Colonization Finance Corporation and first vice-president of the Mutual Life of Canada headed a party of prominent executives of insurance and mortgage companies affiliated with the C.F.C. on a week's tour of the farming areas of Manitoba and Saskatchewan.

Accompanying Mr. Lang were A. N. Mitchell, general manager of the Canada Life Assurance Co., J. F. Weston, managing director of the Imperial Life Assurance Co., and W. H. Somerville, general manager of the Mutual Life Co., and W. R. McConnell, of Regina, western supervisor for the Canada Life Assurance Co.

Highlights of the week

Leaders Meet

At Winnipeg, Canadian Chambers of Commerce are in annual conclave. The meeting is the best in years according to Editor Floyd S. Chalmers, who attended it for Post readers. Special articles in this week's issue include:

Nation's Business. Page 1
T. A. Russell on Massey-Harris. Page 2
Personal sketch of new president, A. O. Dawson. Page 3
Charlotte Whitton's relief plan. Page 3
Wallace R. Campbell airs tariff views. Page 14
Noranda chief talks mining. Page 15

No. 1 Banker

Graham Ford Towers, first governor of the Bank of Canada, says "Canada first" will be the bank's policy. Views and news of the man who will direct the fortunes of the central bank for the next seven years. Page 9

What Bank May Do

W. C. Clark, the Dominion's Deputy Minister of Finance, explains the central bank's functions and what it can and cannot do. A clear and intimate exposition by one of the godfathers of the bank. Page 9

Biggest Failure

The treatment given U. S. railroads under the Roosevelt "new deal" is termed the worst failure of the shuffle. How high costs may force bankruptcies and heavy losses on investors. Told by Dr. Gaines T. Cartinhour. Page 8

Lloyd's Licensing

Reports have it that Lloyd's of London is negotiating to take out provincial insurance licenses. Page 13

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DOLLAR RISE ROUSES FEAR OF DEFLATION

Pound and U. S. Dollar Both Stand at Discount in Canada

MAY HIT BONDS

Canadian Price Levels May Suffer From Appreciation of Currency in London and New York

Appreciation of the Canadian dollar to a premium in terms of the pound sterling and against the American dollar has aroused some fears of deflationary results in Canadian financial circles.

The deflationary effects might first be seen in a marked recession of prices for short-term Canadian Government bonds, with weakening effects on other issues, it is feared. This would prove somewhat embarrassing to the Dominion Government which is now planning its autumn conversion loan. Similar deflationary effects on commodity prices might hinder Canadian business recovery.

Movements of Currencies

Since Aug. 31, the Canadian dollar has gone up in terms of gold. The pound has remained practically stationary. The American dollar has depreciated. The net result is that sterling is slightly below par in Canada instead of at a substantial premium, and the American dollar has slumped farther.

The recent changes in the three currency levels against gold is shown:

1934 Gold Values of Currencies in Terms of 1931 Gold Values

	1934 Sept. 10	Aug. 31	July 31	1931
	%	%	%	%
Pound	60.2	60.2	61.5	100
Can. Dollar	60.3	59.9	60.4	100
U.S. Dollar	58.6	58.7	59.4	100

Illustration of Deflation

The deflationary effect of the discount on the American dollar is clearly illustrated in the price of International Nickel common shares. On Sept. 10, these stood at 24¼ in New York and 23½ in Toronto, the difference being chiefly due to the exchange rate. A similar effect on prices for internationally traded commodities such as wheat, copper, silver and gold is a direct consequence of an appreciated currency. That is, such commodities tend to sell at a lower price in a country where the currency is at a comparatively high level, as in Canada, than in one where the currency is more depreciated, such as the United States.

Effect of High Pound

There is a strong feeling among economists that the stability of sterling in Canada in the last year at about $5 has been a major factor in lifting the general price level in Canada and revivifying general business. The reason is that basic Canadian products such as wheat, lumber, meat, etc. are sold in terms of sterling and have produced increased revenue as a result of the pound's rise. Hence, if sterling drops substantially below $4.86, there is some fear that prices for Canadian products may drop in this country with distinctly dampening effects on business in the Dominion.

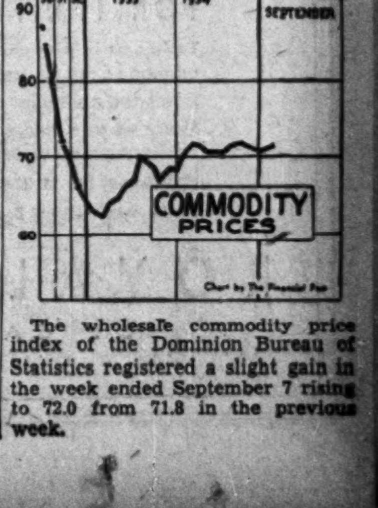
If this interpretation is approximately correct, the level of the pound sterling should be one of the most important business barometers for Canadians to watch.

Exchange and Finance

Because securities are traded freely on an international scale, the effect of a spread between exchange rates on security prices is felt immediately. Hence, the close attention that financial circles are paying to the levels of sterling and the American dollar.

Recently there appears to have been a flight from the American dollar which has tended to weaken that currency. The flight may have taken the form of transfers into foreign securities in which case the exchange rate may be a reflection of U. S. buying rather than a forerunner of American selling of Canadian bonds.

If more confidence is established in the American currency, the prevailing premium on Canadian funds and our high bond prices might bring an immediate selling wave. This actually did occur in November, 1933. On the other hand, the sales of securities would tend to wipe out the premium on the Canadian dollar and correct the selling movement.



The wholesale commodity price index of the Dominion Bureau of Statistics registered a slight gain in the week ended September 7 rising to 72.0 from 71.8 in the previous week.

FLIGHT BLENDS

A New Way of Saying "The Smartest Hat for Fall"

Successor to "Flight," that smart swagger hat launched by EATON'S this Spring, "FLIGHT BLENDS" has all the distinctive features of its predecessor, with the added attractions of new mixture to harmonize with the latest Fall suitings, a slightly heavier weight suitable for early Fall wear, and a light texture lining. Sizes 6¾ to 7½. Priced

$4.50

MEN'S HATS — MAIN FLOOR — QUEEN STREET

THE T. EATON C° LIMITED

Central Bank Share Offering Expected to be Made Soon

Offering of $5,000,000 of shares of the Bank of Canada, the Dominion's embryo central bank, is expected at an early date. There will be 100,000 shares of $50 each to be offered for subscription at that price. Subscribers will have to pay at least $12.50 a share upon application, the balance to be paid in installments within 12 months as called for by the Dominion Government.

Over-subscription of the issue is anticipated, although the dividend is limited to 4½ per cent cumulative. Dealers have been flooded with requests for shares and so has the Department of Finance, Ottawa. The shares are expected to sell at a premium because central banking is eminently profitable throughout the world and the cumulative dividend is considered "a sure thing." Commercial bankers feel that the new institution cannot help making profits. The cumulative nature of the dividend and limited liability of shareholders are among the attractions to investors.

It is probable that subscription books will be kept open for several days to allow those at distant points to make application for shares.

Plan to Reduce Farm Mortgage Interest Rates

Hon. Duncan Marshall, Ontario Minister of Agriculture, told a recent Toronto gathering that interest rates on farm mortgages must be reduced. Within a few months he promises action though it is believed that no definite steps have been worked out yet.

There is considerable speculation in mortgage company circles as to just how this matter might be accomplished. Of the 200,000 regular farms in Ontario it is estimated that nearly half are mortgaged. Of this number some 17,500 are financed by the Agricultural Development Board of the Ontario government with an interest rate of five per cent. The bulk of the remainder, approximately 80 per cent are understood to be held in private hands with the interest varying from five to eight or even nine per cent.

Institutions such as loan and trust companies and life insurance companies have not been greatly interested in this business since the provincial authorities entered the field over 10 years ago.

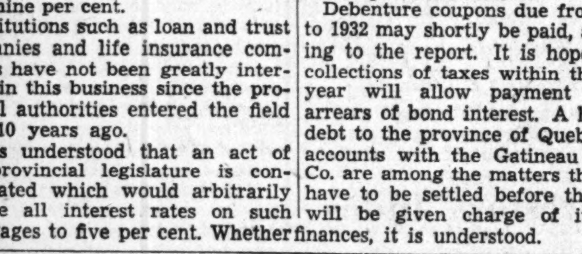
It is understood that an act of the provincial legislature is contemplated which would arbitrarily reduce all interest rates on such mortgages to five per cent. Whether such legislation would run foul of the British North America Act or not is a disputed point.

Other measures contemplating government security behind approved mortgages or a considerable extension of the activities of the Agricultural Board are also anticipated. At present, however, the Development Board is not making further loans and it is understood that the total money advanced by it already, some $55,000,000, exceeds by over 50 per cent the amount available from the Ontario Government Savings Offices, which were created to furnish the funds for the government farm mortgages.

End of Commission Rule Foreseen for Aylmer

Town of Aylmer, Que., has so adjusted its financial affairs that it may be able to leave the tutelage of the Quebec Municipal Commission within a year, according to information received from the town by L. E. Potvin, president of the Quebec Municipal Commission.

Debenture coupons due from 1927 to 1932 may shortly be paid, according to the report. It is hoped that collections of taxes within the next year will allow payment of all arrears of bond interest. A housing debt to the province of Quebec and accounts with the Gatineau Power Co. are among the matters that will have to be settled before the town will be given charge of its own finances, it is understood.



FOR THRIFT AT HOME

Today, as in pioneer times, it is often the woman of the household who has the instinct and ability for careful management. Many women make regular Savings deposits as a cash reserve to provide for rent, insurance, taxes and similar obligations.

* A Household Budget Book is available on request.

THE ROYAL BANK OF CANADA

The Nation's Business

(Continued from page 1)

Canada in direct relief will be over $70,000,000.

She shows too how costly has been the policy of "drift" in this national emergency; the failure to bring together along one united front the various agencies fighting to overcome a common enemy. She points to something over 4,000 communities each going its own way in nine different provinces, and even encouraged to spend money by reason of liberal financial assistance from Ottawa or from its own provincial government. Thus there has developed:

"...the one undeniable result that the extravagant or inefficient municipality has been bonused at the cost of other units of government or of taxpayers in communities where services were submitted to finer standards of organization and control."

* * *

AS A solution she urges not the centralization of administration at Ottawa (which she believes would be not only unwise but impossible) but the appointment of a small advisory board to be associated with the payment of federal grants in aid to provincial and municipal relief so that there could be brought about:

"a more equitable, adequate and efficient system of relief which would render better service to the recipient and greater protection to the taxpayer."

When it is remembered that Canada will have disbursed in the past five years almost $400,000,000 in respect of relief; that it is a problem which bids fair to remain a matter of major national importance for at least the next decade, the need for a sound national policy is at once apparent. The viewpoints expressed at Winnipeg should be translated into action as quickly as possible.

* * *

Mr. Filene Airs Some Hare-brained Views

EDWARD A. FILENE, Boston departmental store proprieter who says he is making a fact-finding tour of Canada with a view to presenting his conclusions to President Roosevelt has given utterance to a surprising amount of twaddle if press statements credited to him are to be believed.

In an interview in Toronto he stated that governments in Canada should spend money lavishly regardless of balanced budgets or old-fashioned notions of that sort. They should borrow lavishly from the United States on the strength of good credit and use it "to wipe out fear". "When it comes time to pay back that money" he told a Toronto Daily Star interviewer, "in, say, 20 years—this country would be and could be so prosperous that the payment would be as nothing."

In fact even repayment would be unnecessary, for on second thought, Mr. Filene decided it would not be even necessary to pay off the debts. The debt would remain but the interest on it could be paid without inconvenience to anyone. "Canada's debt will never be paid—nobody wants it paid" he affirmed.

Mr. Filene states he is not a Communist. We are inclined to believe him because even the Communists have dropped or modified some of the rattle-brained ideas which Filene still sponsors. If he were to run his own business on the basis which he advocates for governments and other people he would not be long out of the bankruptcy court.

Mr. Filene is a clever press-agent. He always creates the impression that he is working under the aegis of some large influential organization or, as in the present case, under the president of the U.S.A. Newspaper editors, however, are becoming familiar with his tactics and are not deceived by his methods.

* * *

Big Business and Government

IN THE past six months it has become the fashion of cabinet ministers and prominent politicians to villify Big Business. Scarcely a day passes but the news reports carry the speech of some public man, prominent or otherwise, blaming all the ills of the depression upon the corporations and holding them up to the view of the general public as the arch-conspirators who brought the depression upon the country.

Yet it is time the public became aware of the fact that when these same public men and the governments of which they are members, are not functioning on the hustings they are frequently to be found in conference with the very men they denounce. And, still more curious, they come to "Big Business" seeking advice, co-operation and financial assistance in coping with the problems of the country.

* * *

JUDGING by Hon. Harry Stevens's bitter assaults on a leading Canadian packing company, one would never expect that his colleague, Hon. Robert Weir, would come to the packing industry with the exceedingly difficult problem of the distress slaughtering of some 150,000 western cattle. Nor would the public ever guess that the companies not only sat in with members of the Federal and western governments to discuss this problem, but turned aside, completely, from their supposedly full-time job of dividend making to find a solution of this very vexing problem. They combed the country for accurate information and delivered it to Ottawa, as promised, some 48 hours later.

This is but one of many examples to indicate how unjust and unfair are many of the attacks being made from day to day upon so-called Big Business. True, some of them are made sincerely by agitators and reds who do not know better. But so far as the speeches of responsible public men are concerned, they cannot be viewed in so charitable a light.

For the most part "Big" business does not exist in the way agitators would have the people believe. Big Business, so-called, consists largely of individual citizens—shareholders, policyholders, savings bank depositors and so forth—a group with similar qualities and weaknesses to those possessed by average citizens.

* * *

Rogers Tariff Figures Greatly Over-estimated

WIDE interest has been shown in Professor Norman McL. Rogers's calculation on the extent of the apparent dollar value of tariff protection accorded to Canadian manufacturers on goods for home consumption. This "subsidy" is placed at $426,000,000, a figure which is deduced by taking the value of manufactured goods consumed in 1931 in relation to the average ad valorem duty of 26 per cent on all dutiable imports into Canada in that year. Without this protection, says Professor Rogers, manufactured goods which had a "protected" value in 1931 of $2,062,000,000 could have been purchased for approximately $1,636,000,000, a difference of $426,000,000.

There is no argument on the manner in which this figure is reached, but objection is taken to the assumption that manufacturers, as a group, have taken full advantage of the protection accorded. In isolated cases this has no doubt been done, but it is very questionable to say that the whole manufacturing industry has been subsidized to the extent of the average ad valorem duty. If one takes for comparison the United States with its vast domestic market, low manufacturing costs and a standard of living comparable to our own, it can be shown that there are many essential products manufactured and sold in this country at a price which does not bear out Professor Rogers' claim. A great deal of work would be entailed in ascertaining the degree to which the tariff has added to the cost of goods, but it is only reasonable to assume that the tariff added much less to the cost of manufactured goods than is stated by Professor Rogers, whose figures of $426,000,000 should be considered as a theoretical maximum and not as the actual amount paid by the consumer for the protection afforded to Canadian industry by the tariff.

Fortune of Massey-Harris Tied to That of Farmers

Company's Employment Drops 75% With Decline of Western Agricultural Purchasing Power—Lenient Collection Policy is Dictated By Sound Business

The published reports of two Canadian and five United States implement companies showed a loss in the last three years of $54,000,000, T. A. Russell, president of Massey-Harris Co., told delegates to the Canadian Chamber of Commerce Convention in Winnipeg this week. After stating that the success of industry and farming were wrapped up together in Canada in a way which nothing could separate, Mr. Russell revealed how the fortunes of the Massey-Harris Company had varied with those of the average Canadian farmer.

Purchasing Declines

As the purchasing power of the farmer declined so did the demand and output for farm implements. In the case of the Massey-Harris Company, he said, employment dropped from 4,900 in 1929 to an average of less than 1,200 for the years 1931, 1932, and 1933. "Not only has this proved a hardship for the men thrown out of employment through no fault of their own," he said, "but it has tremendously affected their purchasing power, their ability to pay taxes and, generally, to contribute their quota to Canadian prosperity. Likewise, the investor who has had no return on his investment has had to curtail his expenditures and has been a poor customer either for the farmer or for industry."

Collection Policy

On November 30, 1933, Mr. Russell stated that his company had 32,492 farmer accounts in Western Canada. Believing that the company's interests were identical with those of the farmer no harsh policy of collection had been adopted as it was believed that it would drive the farmer off the land, thus proving disastrous to the farmer and the company which hoped to sell him implements.

A policy of co-operation had been worked out making arrangements for extension and partial payments over an extended period. Each situation was dealt with on its merits. Out of over 32,000 accounts, suits against only ten farmers had been instituted in 1933 and 14 in 1934, an average of one lawsuit for about every 3,000 farmers.

Business Not Charity

Such a lenient course was not dictated by charity, stated Mr. Russell, but because it was believed to be sound business under existing conditions. Nothing that had transpired in recent years had shaken the faith of the executive in the soundness of such a generous policy in regard to collections despite the fact that it had imposed serious financial burdens on the company. Only approximately 25 per cent of the previous 10 years average return on notes was reported during the years 1931-1934, while in the meantime the company had to meet interest on its own borrowings.

Notwithstanding a certain clashing of interests of the farmer and the agricultural implement manufacturer in regard to prices of goods and rates of interest on notes, Mr. Russell stated that the two sides had much in common, particularly was this so, he said, in regard to taxes and the Canadian railway problem. Taxes paid by the Massey-Harris Co. in Canada, not including customs duties, but merely municipal, provincial and federal, amounted to approximately five per cent of the total sales for each of the last three years, he reported. Freight charges cost the company approximately 10 cents out of every dollar of sales.

"The farmer must be able to purchase and pay for implements if the agricultural implement manufacture is to continue operations," stated Mr. Russell. The farm equipment manufacture must be strong enough to have satisfactory machinery, service and repairs always available and to support a system of deferred payment in settlement therefor, if the farmer is to prosper.

No Security

Mr. Russell explained how the manufacture of farm machinery contributed no small share to the opening of the West. "While others received cash for their services or first mortgages for the protection of their loans, the makers of farm machinery extended credit with no security except the moral standing of the purchaser, plus a lien on the machine, which was of very uncertain value after it had been used for a year or two and thrown under the not-too-ample-protection of a barbed wire fence. However, all had benefitted. But the last four years, he said, had brought out a condition where everyone concerned in this development had been faced with disappointment and loss, not always uniform or fairly distributed, but nevertheless universal.

Big Advance

The tremendous advance resulting from labor saving farm machinery was traced by Mr. Russell. In 1820 it required 67 hours of human labor to grow an acre of wheat yielding 20 bus., he said, but this same yield is produced in approximately eight hours today. In other words, the 1820 farmers got approximately one third of a bushel of wheat for each hour of labor, while the farmer of a century later got 2½ bus. for each hour of labor or more than seven times as much. However, Mr. Russell did not believe that the development of labor saving machines destroyed labor. He pointed out that there was an enormous amount of new employment entailed in the work of building labor saving machines, in the production and transportation of the raw materials, and in the actual manufacture and transportation of the machines themselves. Despite the fact that there were heavy stocks, and apparently over production in many lines today, he preferred to agree with Henry Ford that there could not be any over production of a true character until every human physical want was practically satisfied. The problem, he said, was one of more efficient exchange of goods and services which should be shared by all, rather than one of restriction.

Imperial Oil Sales Are Well Maintained

Imperial Oil sales of all products in 1934 have been well maintained in all parts of Canada. The advance of the Diesel engine in popularity continues to call for a greater sale of fuel oil and a large tourist traffic in June and July contributed to greater revenue in sales of gasoline. Complete comparative statistics of tourist traffic are yet lacking but reports from stations indicate that there has been an increase in 1934 over 1932 in spite of the increase in value of the Canadian dollar as measured in United States money.

Other major companies are understood to have had a similar experience. The sporadic price wars mentioned previously have been confined to restricted areas and because price cutting has been made unprofitable it is not expected that there will be any general increase at the moment.

Ore at Pickle Crow Mine Said to Average 1 oz. a Ton

John E. Hammell, president and managing director of Pickle Crow Mine, in the Patricia district of Ontario, has told The Financial Post that ore exposed to date on the property averages over one ounce gold per ton. This includes 761 ft. at the 375-ft. level, 875 ft. at the 250-ft. level, and 200 ft. at the 125-ft. level. Drifting in ore is being continued on each level.

Mr. Hammell reports that the main part of the mill is ready for machinery, which has been ordered, and will be taken in as soon as the new marine railway is completed.

Development up to the end of last month showed that the drift on the 250-ft. level had exposed 875 ft. of ore averaging 1½ ounces for a width of 33 inches. At the 375-ft. level there is length of 761 ft. that averages one ounce for a width of two ft. It is stated that work on the 125-ft. level, started a few weeks ago, is progressing favorably.

Middle Bay Mines Drills on New Vein

Drilling on the new vein discovered at the property of Middle Bay Mines, operating in the Red Lake area will commence shortly, officials of the company inform The Financial Post. It is claimed that the new find has also been uncovered on the adjoining Cardinal and May-Spiers properties, giving the vein a proved length of not less than two miles. Four trenches have been dug, covering a distance of 400 ft.

George Weston Is Selling Bread In British Isles

More evidence of why George Weston, Ltd. common stock has doubled in market valuation within a year comes from England in the shape of an announcement that control has been secured of Chibnalls Bakeries, a London bread manufacturer with branches in the north of England and Scotland. It is also understood that a Birmingham bread company has been obtained.

W. Garfield Weston, president, has been in London for some months negotiating for this plant and this is believed to be only one item in a well-thought-out policy of expansion. The purchase last year of Mitchell & Muils, well-established Aberdeen biscuit makers, and the establishment of manufacturing in a plant bought in Edinburgh have proved very remunerative investments. The growth of the business in the southern part of England led to the acquiring of a distributing warehouse in London as well and other plans are under way.

It is expected that W. Garfield Weston will return to Toronto in October but R. A. Robertson, treasurer of the company, will remain in the British Isles for a few months to take care of the change-over of the new company acquired, to the Weston methods of doing business and the expansion to cover the most populous parts of the United Kingdom.

MONEY NEEDS SASKATCHEWAN ARE 60 MILLION

(Continued from page 1)

writing and Ottawa now disputes the truth of these statements.

Facing the province is the pressing need of finding money to carry drought-impoverished farmers through the coming winter and spring. Seed grain will run to $6,000,000. Feed and fodder for livestock will require another $5,500,000. And rural relief—food, clothing and fuel — will eat up $7,000,000. And about all the money the province now has in sight is $200,000 per month cash grant from Ottawa which must also apply to urban relief.

Some Progress Made

The Gardiner Government, it appears, has made some headway with this problem. Insurance and mortgage companies have informally agreed to finance seed grain loans, under a government guarantee, and the agreement will probably be officially announced at the impending conference to be held at Regina.

But the other $12,500,000 still eludes the province which is striving to persuade Ottawa to lend the money. Ottawa replies that the drought area will be taken over if the province so wills, but it will only be taken over as a Federal district.

Finest Part of Province

Perhaps one of the reasons why the provincial government has so far declined to surrender territory to Ottawa is that the drought sections amount to a substantial part of Saskatchewan, are regarded as the finest agricultural lands in the West, and the province fears the changes which Ottawa might make in the agricultural industry therein.

This, of course, raises the broad question of what is to become of the drought areas of the West. There are 1,000,000 acres in Manitoba, 2,000,000 acres in Alberta and possibly 4,000,000 acres in Saskatchewan. These 7,000,000 acres have been burnt up four years in succession and the growing impression in Eastern Canada is that they are unfit for agriculture. Much is being said of abandoning this territory and moving the farmers to the northern areas where normal rainfall is assured.

Want Wheat Grown

The Saskatchewan Government, it is believed, holds the view very strongly that these lands should be retained in production; that they are the finest wheat lands in the world. Other eminent agriculturists agree. And in proof of this view the production statistics of the past 20 years are appealed to. These statistics certainly prove that the southern, central area of Saskatchewan has been a prolific producer of wealth in the past. The value of the marketable surplus of agricultural products from 1916-1930 averaged higher than $35,000,000 and, per farm, more than $2,000. It is true that in 1931-32-33, the surplus did not bring, on average, more than $4,000,000 but it is contended that the normal will reassert itself.

Weather statistics since the 70's prove that the area has been subject to recurring droughts. The present drought has not been more severe than earlier ones and judged by past experiences the drought cycle is now passed and the next decade will bring increasingly better returns to the farmers. The problem, it is contended, is really one of compelling the farmers to lay aside out of the returns in average years sufficient money to carry them through bad years.

SAY EARNINGS NOT AFFECTED BY ENO SALE

(Continued from page 1)

the holders of the Class A, it is stated, are old friends of the company, and there are certain large institutional holders as well as private individuals.

International Proprietaries Ltd. is a going concern, and it is understood that control has been disposed of by Mrs. Ritchie simply because of the heavy burden of administering a very considerable estate. For a while after the death of her husband in February, 1933, Mrs. Ritchie was interested in active control and was president of the three Harold F. Ritchie companies operating in Canada, the United States and Great Britain, the selling companies which marketed the goods of International Proprietaries. In recent months, however, The Post is informed, Mrs. Ritchie has been anxious to devote more attention to private matters and thus desired to dispose of her holdings of B shares which carry voting control.

In every year since the company was organized in 1928, International Proprietaries has shown a substantial net profit and dividends have been well covered. For the year ended Dec. 31, 1933, after all dividends there was a surplus of $42,247, which brought the total balance carried forward up to $1,242,823. For the current year, it is understood, earnings have been on a much higher plane and indicate one of the best, if not the best, years in the history of the company. Sales are reported up to Sept. 1, 1934, as nearly 18 per cent above those for the first eight months of 1933. Dividends have been generous and have included participating payments on the A shares in four of the last five years.

CONS. INCOME & SURPLUS ACCOUNT
Years Ended December 31

	1933 $	1932 $
Net earn. after deprec.	1,068,635	1,280,359
Less: Income tax	276,631	297,221
Bonus & pens. fund	11,461	12,004
Organ. exps. w/o	11,782	19,936
Net profit	768,761	951,198
Less:		
Class "A" divds., reg.	580,489	583,089
Class "A" divs., partic.	29,025	......
Class "B" divds.	117,000	......
Surplus for year	42,247	368,109
Add: Prev. surplus	1,200,576	832,467
Balance forward	1,242,823	1,200,576
Earnings per Share and Dividend Record:		
Class "A": Earned*	$3.44	$4.26
Earned†	2.77	2.93
Paid, regular	2.60	2.60
Paid, partic.	0.13	nil
Class "B": Earned‡	1.34	2.61
Paid	1.04	nil

*Available for regular dividends of $2.60 per annum on class "A" shares.
†Maximum applicable to class "A" shares according to participating provisions.
‡After allowing for class "A" participating provisions.

Equity per Share:		
Including goodwill	$28.05	$27.92
Excluding goodwill	9.99	9.87

After representing J. C. Eno Ltd. for many years on this continent, the late Harold F. Ritchie, of Toronto, created a sensation in 1928 when he purchased the 100-year-old English company from the Eno family. The purchase included the world-wide business of J. C. Eno Ltd. Shortly afterward other Eno concerns, the Thermogene Company and its subsidiary the Genotherm Corp. in the United States were acquired, as well as a substantial interest in Minards Liniment Co., Ltd.

By the end of 1933 the properties of International Proprietaries consisted of eleven manufacturing plants located in London, England; Toronto, Buffalo, Berlin, Paris, Barcelona, Australia, Mexico City, Argentina, Brazil and Colombia. The Australian plant commenced operations in Nov., 1931, the Argentine plant in Jan., 1932, the Brazilian plant in March, 1932, and the Colombian plant in May, 1932. Plants in Venezuela and South Africa commenced operations in the fall of 1932, and the plant in Mexico City in 1933.

The company conducts its own sales activities through selling agencies in Europe, Africa and India; through its subsidiary, Globe Distributors Ltd., in North America; and obtains distribution in South America, Australia, New Zealand, Pacific Islands and the China Coast, through Harold F. Ritchie & Co., Ltd., Toronto; Harold F. Ritchie Co., Inc., New York, and The British Harold F. Ritchie & Co., London, Eng.

Previous Financing

To finance the 1928 purchase two classes of shares were issued. Class A carries a cumulative dividend of $2.60 per annum payable quarterly and a participating dividend with Class B. The Class A shares are noncallable and non-voting except when six quarterly dividends are in arrears. Otherwise the Class B shares carry all votes. In liquidation both classes rank equally. Originally there were 210,000 of Class A shares issued and 105,000 Class B, while at the end of 1933 outstanding Class A amounted to 223,265 and Class B to 112,500. It is understood that the estate of Harold F. Ritchie controlled the issue of Class B shares, and it is this control which has just been sold.

Among the principal assets of the company at the close of the last fiscal year were cash $1,244,363 and trademarks, formulae goodwill, etc., $6,060,339, which together with marketable securities, buildings, investments in other companies, etc., aggregated $10,022,204, exceeding total liabilities, the main item of which was capital at $8,173,855, by $1,242,823. The company has no funded debt. Working capital at the close of the last fiscal year was $2,388,416, which showed a steady growth from 1929 when it stood at $1,859,727. The consolidated balance sheet of the company in detail since 1932 is as follows:

Assets	1933 $	1932 $
Current:		
Cash	1,244,363	1,232,772
Accts. rec.	470,827	612,929
Securities	794,858	555,073
Inventories	483,894	595,165
	2,993,942	2,995,939
Deferred	42,462	40,335
Invests. in subsid.	......	......
Invests. in other cos.	479,295	479,295
Fixed:		
Plant, etc.	446,166	468,676
Trademarks, etc.	6,060,339	6,060,327
	10,022,204	10,044,572
Liabilities		
Current:		
Accts. payable	605,526	670,141
Capital:		
Capital	8,173,855	8,173,855
Earned surplus	1,242,823	1,200,576
	10,022,204	10,044,572

BANKFIELD PROTECTS STRIKE OF ORE BODY

Purchases Two Claims from International Mining Corp.

From Our Own Correspondent

SUDBURY. — Bankfield Gold Mines, it is announced, has purchased two claims located on the southwest border of its property in the Little Long Lac area, from International Mining Corp., in order to protect the strike of its south ore body. A. H. Cockeram, in whose name these claims stand on the map, confirms the deal.

Bankfield continues the sinking of its shaft by hand steel, until the mining plant is ready for service, which is expected to be in October. A headframe has been built and all the buildings necessary for mining are being rushed to completion.

Diamond drilling along the easterly extension of the south ore zone is being continued. The work will be continued until the freeze-up, after which it is stated a series of holes will be put down under Magnet Lake to further explore the north zone in which several interesting sections were disclosed in drilling from the shore.

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CUSTOM TAILORING

Personal and individual are the two words which possibly best describe this business of custom tailoring. A visit to Simpson's Custom Tailoring Shop will be of interest.

The Store for Men—Second Floor

THE ROBERT SIMPSON COMPANY LIMITED

National Leadership Needed For Canada's Relief Problem

Charlotte Whitton Appeals to Business Leaders for New Viewpoint on Nation-wide Emergency

Ten per cent of Canada's population is now on relief at a monthly cost of between $6,000,000 and $7,000,000.

In the past four years, our total public expenditure for relief has been over $300,000,000.

For the current year, the cost alone will be at least $70,000,000.

Persons on relief in Canada have never dropped below the 1,000,000 mark since October 31, 1932.

Adults in receipt of relief in Canada in this period have been over 400,000.

The number of heads of families has not dropped below 200,000 per month since October 31, 1932; the number of single persons has run anywhere from 70,000 to 125,000.

Experts at Geneva estimate world unemployment in the past twelve months varied between 23,000,000 to 29,000,000 affecting at the current time not less than 100,000,000 people.

These are some of the startling facts given this week by Charlotte Whitton, executive director of the Canadian Council on Child and Family Welfare before the annual meeting of the Canadian Chamber of Commerce at Winnipeg.

Plea For National Leadership

Making a strong plea for national leadership in Canada in respect of relief problems, Miss Whitton traced the genesis of this problem since the federal government on December 14, 1920, first adopted a policy of reimbursing, as an emergency measure, disbursements made to meet unusual distress by municipal and provincial governments. This particular policy (implemented by an order in council dated January 24, 1921) authorized an appropriation of $500,000 "to pay one-third of the emergency relief disbursed by the municipality." A further striking fact is that since that date, there have been eight out of the 14 years in which the federal government has deemed the emergency in Canada to have been of sufficient proportions to warrant federal aid.

Responsibility is Local

Throughout this entire period, according to Miss Whitton, the principle enunciated in 1921 has been preserved practically in tact; namely "that the relief of unemployment is primarily the responsibility of the provinces and the municipalities, that the federal power was justified in participation only in the face of an unusual emergency condition and then on a contributory basis only, leaving responsibility to province and municipality or administration and detailed policy."

Magnitude of Problem

To give some idea of the magnitude of the problem, Miss Whitton cited the figures shown above and pointed out that while total direct relief in the winter in 1930-1931, possibly did not exceed 150,000 persons, it rose in the peak period of the winter and early spring of 1933 and 1934 to a high point of approximately 1,500,000. She does not believe that at any time since October 31, 1932, has the total fallen below the 1,000,000 mark.

Taken in conjunction with unemployment of the statistics of the International Labor Office which indicates an unemployment volume in the last twelve months of between 23,000,000 and 29,000,000 and which, according to the Child Welfare Committee of the League of Nations must mean that "at the current time, there are not less than 100,000,000 people either ordinarily employed or their dependents in need because of the world-wide lack of work." Miss Whitton expressed her belief that we cannot escape from the conviction that such conditions prevailing over such a length of time and involving such a percentage of the ordinarily employed population and their dependents "cannot be regarded as temporary or as susceptible to effective treatment on other than a basis of the most profound study and intensive statesmanship."

For this reason, she expressed her belief that the question of relief can only be regarded as part of the whole responsibility resting upon government today "although the first challenge of the situation is for a consideration of relief on broad national lines as part of a problem of national significance and even international scope."

Must Be Handled Locally

Although the problem is national in its scope, Miss Whitton urged "that there can be no effective argument for the treatment of the individual in a country as widely diversified as Canada, other than on a basis of local administration."

"It is within the municipality and within the neighborhood that the needs can be ascertained and the most effective treatment applied and the constitutional structure of the country is not wrong from the point of view of practical treatment in placing the social core of the people primarily upon the provincial and decentralized municipal units of government. Therefore, logically and ultimately, the emphasis of treatment for the individual in need should rest with the unit nearest to his problem and care.

"However, when the causes contributing to his condition and when the financial provision for meeting them both rest in increasing degree on considerations, national in extent, the challenge cannot be ignored of national thought and planning which will assure the most effective and adequate services through the local and provincial units.

Wide Range of Efficiency

"With nine provincial governments in Canada and 4,207 municipalities, the range of adequacy and of efficiency in the organization of welfare and relief services can be disastrous especially when it is remembered that in many areas the relief incidence runs as high as 30 per cent of the population and that the municipal system of government generally changing every twelve months, is the most immediately susceptible to the demands of the electorate.

"The resultant situation has been that a range of standards, service and costs, varying almost as widely as the capacity of the municipal units themselves, has developed across Canada with one undeniable result that the extravagant or inefficient municipality has been bonused at the cost of other units of government or of tax payers in communities where services were submitted to finer standards of organization and control.

Many Centres Penalized

"This situation has led to the actual penalizing in other cases of the municipality with adequate standards for its people, in that there has been a heavy drift of an interprovincial and interprovincial accumulation of relief beneficiaries to the centres of most adequate provision and better administration. One Canadian city alone with less than 4,000 families on relief could ascribe nearly one-quarter of them to such transient families who acquired residence over a short period of time. One municipality would attempt systematic, controlled rent policy, carefully adapted for safeguarding the tax payer and family alike; another municipality might have a wide open rent policy, and a wide open payment of taxes for the home owner on relief.

"One municipality or an entire province might attempt to set up adequate minimum food standards at minimum cost and another municipality offer a wide open voucher or cash relief system. As a matter of fact it is quite possible that a scientific inquiry would show that one large Canadian municipality alone threw away in the excess cost of an ill-regulated relief policy in each month, over a period of a year, as much as another entire province, and that not a small one, had been able to save in a year, by an attempt at more scientific organization and control.

National Angle Also

"Looking at it from the other angle of the family or individual in need, the situation has been equally difficult in that many of the lines of treatment which might promise improvement of their position could not rest upon local provision, but called for broad schemes of national stimulus and large scale application.

"To quote but one example, the hundreds of thousands of idle 'teen age boys and girls across the country offer a challenge that must be met by broad policies and a tremendous stimulation of public interest and provision or to take another example, the homeless single man, able bodied and unemployed, was offering a problem reaching a state of crisis in the summer of 1932, when on a national basis or interprovincial basis responsibility was assumed for the operation of relief camps either under the Dominion or provincial authorities in the western provinces.

Central Relief Impossible

"It is not argued that the situation calls for a centralized Dominion relief administration. On the other hand it is admitted that this would be impossible. It is argued, however, that in the face of conflicting provincial claims and intense, provincial autonomy the federal power can and should attach to any payment of money from the people of Canada as a whole such conditions as will safeguard its expenditure when it is administered by citizens of one municipality or one province, in so far as the contribution to that municipality or province comes from the country as a whole. It is also argued that the nation wide nature of the causes and treatment of the problem call similarly for a correlated national outlook in the methods followed either in relief or in any other aspect of crisis.

No Constitutional Problem

"It is submitted that this conditional control can be effectively established without constitutional amendments of the British North America Act or that at least an inexpressibly greater degree of such indirect control could be exerted under existing legislation. Such precedents in legislation and administration as the Technical and Vocational Education Acts, the Old-age Pension system, aid of various types to agriculture, etc., are submitted as proof of the application of the principle which it is argued should be introduced into a more effective control of the relief situation in Canada, today.

Advisory Board Urged

"It is submitted that without duplication of municipal or provincial machinery, or without the setting up of administrative personnel or inspection of a duplicating nature, a small advisory board associated with the payment of federal grants in aid to provincial and municipal relief, could bring about a more equitable, adequate and efficient system of relief which would render better service to the relief recipient and greater protection to the taxpayer.

"Under such a plan the Dominion power would not undertake to fix or approve rates in respect to per capita grants for this or that municipality or province nor deal with all the minutiae of relief administration and control. It would rather become the advisory board to which each province would submit its detailed project for the adequate handling of its relief problem, setting forth its policies in respect to provision for the supervision of municipal administration, for the employment of qualified personnel, provincially and municipally, for the system of assuring minimum but adequate food allowances, the provision of fuel, clothing and shelter, the variation of these scales and costs for areas of different type payment through cash or in kind, policy in respect to tax payments and similar other fundamental principles in investigation, administration, and supervision of relief.

"The federal advisory body would be charged with the careful examination of the set up, principles and policy of each provincial service and with ascertaining that while these might vary markedly among different provinces, yet having regard to differing conditions within each province and between provinces, that on the whole they were comparable and equitable.

Ensure Efficiency

"Thus, this would bring about assurance of an adequacy of service and an efficiency of administration without uniformity or standardization which it is submitted would be impossible within the Dominion of Canada. Such means would assure, therefore, differing scales and systems, yet provisions and expenditure fair to all the people of Canada, prevailing within each separate part.

"On such a basis the advisory body would, at a reasonably early date, ascertain within reasonable degree the just cost for differing areas within each province, for assurance of the essential needs of the people and also that the numbers on relief were being efficiently controlled and not excessive or unnecessary. On such a basis this body could then scientifically advise the federal power of the extent of its participation in the cost of relief beyond what the province and municipality could reasonably carry itself and the conditions which should attach to federal aid in the granting of such payments. The basis of aid could be set up initially on an arbitrary basis for a period of say three months and could then be issued on an accountable advance basis every thirty days.

"Meanwhile, through the statistical resources now available within the Dominion Bureau of Statistics, a reliable calculation could be made of what might be regarded as the normal load within the different provinces and different municipalities, and when, having regard to all the circumstances, the unemployment prevalence appeared to recede to the point where it could be met within these resources, the federal power would withdraw from participation.

Could Decline Aid

"Where any province or any municipality within a province declined to comply with such changes in their administration or standards as in the opinion of the federal advisory board should be made in fairness to the relief recipient and the other units of government in Canada, the federal power would simply decline to advance federal resources and subsidize such services, leaving the province or municipality, which declined to accept a grant in aid on the conditions laid down, to meet its needs in its own way, in other words as Queen Elizabeth is quoted as having said to Philip of Spain, 'Why not let the Netherlands go to hell in their own way?'

"Such a system, it is argued, would shortly enable the federal power to make periodic payments on an absolutely scientific basis to the differing provinces and would gradually and effectively bring about primary assumption of responsibility for relief on the part of the provinces but along lines that, while characteristic of each, would subscribe to certain conditions of equitable and comparable nature in all nine and, by reversion, in all the municipal units.

Aims to be Achieved

"The effective treatment of unemployment need today must involve the stabilization of employment, the introduction on a sound actuarial basis of contributory unemployment insurance in applicable industries and various measures of assured contributory savings to meet dependency from various uncontrollable but assessable causes. The stimulation of works programmes, of such projects as controlled settlement, slum clearance, adequate minimum remuneration for employment and decasualization of the labor supply are all an integral part of better social planning for the community that has the courage to realize that we are living in 1934 and not in 1834 or even in 1914.

"All of these greater major problems rest primarily upon national leadership. All of them must be freed of the clinging tentacles of major insistence upon relief as the sole line of treatment. It is probable that the best way to assure such freedom is to place relief administration primarily on provincial units but it is equally essential that it should be subject to scientific organization to assure that it does not even more seriously clog up the operation of such comprehensive broad plans of treatment of the whole problem."

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Arthur O. Dawson Tireless Worker

New Chamber of Commerce President Renowned for Diversity of Interests

By WELLINGTON JEFFERS

Arthur Osborne Dawson, the new president of the Canadian Chamber of Commerce, is so well known in textile, business, social service and United Church circles all over Canada that one could call him "A. O." and thousands of people would automatically complete the initials with the word "Dawson." There are few Canadian business men who touch life so vigorously at so many points and who have had leadership thrust upon them in such diverse spheres.

A. O. Dawson is indefatigable. His power of work is prodigious. One reason for that power is that he loves work. He has never been like Shakespeare's schoolboy dragging his reluctant feet unwillingly to school. Whatever the work may be he has always seemed to approach it like the birds greet dawn. No one has ever reported a yawn as lengthening his face or has caught him in a moment of boredom.

Mr. Dawson refuses nobody consideration and tackles everything put up to him in his various capacities. Yet he does not try to do everything or anything alone. His method is not so much to order this and that to be done as to marshal everybody's brains, energies and knowledge in a common attack on any problem. He knows more about textiles from both the manufacturing and marketing ends than do most textile men, but he is more open for new ideas and suggestions than men with half his experience.

Is Much Admired

The new president of the Canadian Chamber of Commerce is a man of medium height with blue eyes, fair complexion and hair that once was a sort of cross between flaxen and golden. The ardors of an active brain have thinned the hair out on top. The remaining hair, as natural for a man in his late sixties, is showing some grey as evidence of the march of time. No one thinks of A. O. as old. He entered the 60's with undiminished zest for life and its problems. He works at high speed when he works, plays golf with ardor when he plays golf and is reported to have been such a demon at tennis that until recent years it was hard to drag him from the tennis court on Saturday afternoons even when the shades of night were falling fast.

Mr. Dawson is popular with the many and he is strenuously admired by those who know him best. The general popularity is not to be wondered at; there are few men with such an instant interest in the people they meet and their problems. He is unaffectedly and whole-heartedly at one and the same time a level-headed business man and a sincere Christian whose philanthropic activities—for which he receives no pay and which cost him money—are nearer his heart than what he does for money. He brings his business sense to his work for his church, for the under-privileged, for the young men and for the general well-being of the community and the nation. But his business success is all the greater because he brings to it his interest in men, his desire to make things steadily better and to enlist sympathies of all concerned in making things better still.

Disproves St. James St. Myth

One Toronto man, commenting on Mr. Dawson's selection, said, "The thing that strikes me most about Dawson is that he is the antithesis of all that the public is being taught by many demagogues to associate with St. James St. St. James Street has become in some parts of Canada a synonym for cold, selfish, financial exploiting of the rest of Canada. It is not true of most of the leading men in Montreal and there is no man of whom it could be less true than A. O. Dawson. I admire no man more."

How Grindstone Helped

Hard work, high character and exceptional capacity, explain adequately A. O. Dawson's rise in Canadian business life. His power to work constantly and effectively every day and every evening probably is derived from two sources: his early and healthful environment at New Bandon, the settlement established on the Bay of Chaleur by his parents; and the splendid heredity on both sides from hard-working and enterprising ancestors.

There was one piece of luck, one windfall for the Dawson family, that enabled them to give A. O. Dawson the opportunity to have a good high school education at Campbellton, N.B., and later to take a business course in Montreal. It was not so spectacular a piece of good luck as the finding of a gold mine would have been but superstitious people might think there was something significant in the fact that this piece of luck consisted in the elder Dawson discovering a grindstone quarry while clearing his farm. The revenue from that quarry was sufficient to make it pardonable if A. O. Dawson were to consider the grindstone as his lucky stone. He must have liked the stone because he never showed any unwillingness to keep his nose to it whenever there was some subject to be mastered. The wonder is that he kept his nose to so many grindstones and enjoyed the process so much.

Grandfather Textile Manufacturer

It is more than an accident that A. O. Dawson got his first work in Montreal with a manufacturers' agent who specialized in textiles. His own grandfather early in the 19th century went to Bandon, County Cork, Ireland, to establish a hand loom business and he operated it successfully until the development of the power loom in Lancashire made it a losing business to stay in. That is why the son went to New Brunswick, why he called the settlement started there New Bandon and why there was a tradition in the Dawson family in favor of the textile business.

Started at $300 a Year

Mr. Dawson's first job at the age of 18 paid him $25 a month. He was bookkeeper, cashier, customs house expert, floor sweeper and odd job man for that salary for 18 months and then he went to D. Morrice & Co. for $500 a year. His old firm found they had to hire two men to do the work Dawson had done and offered him $1,200 to return. But he felt the opportunities to be better with the new firm, which acted as selling agents for a large group of textile companies including the mills which later became the Canadian Cottons and the Dominion Textiles Co. He was a junior clerk without influence but there was nothing for his seniors to do but advance him because he mastered every job, studied every problem and made himself necessary. Handling the firm's correspondence he became familiar with problems of selling as well as factory problems. This combined knowledge made it understandable why the late D. Morrice in 1905 asked him to go on the Board of the Canadian Colored Cotton Mills Co., which later with other mills became Canadian Cottons.

When Canadian Cottons was formed in 1910 D. Morrice was president, the late C. R. Hosmer vice-president and A. O. Dawson was made managing director. He became vice-president in 1914 when Mr. Morrice died and C. R. Hosmer became president. In 1916 D. Morrice & Co. was merged with Canadian Cottons and selling has been attended to by the company direct since then. It could do so with profit because of A. O. Dawson.

Other companies began to seek his services when they were in trouble or needed help. At present he is president of Belding-Corticelli, Dominion Woollens & Worsteds, Cornwall & York Cotton Mills, and director of the Bank of Montreal, Crown Trust Co. and Anglin Norcross, Ltd. He was president of two brick companies, was on the board of a fire insurance company but of late years expanding interests have made him see the necessity of limiting his activities somewhat in a business way.

Has Happy Family Life

Mr. Dawson is rounding out his business career in a conspicuous manner. His various successes have never been the result of self-seeking; he has sought the work sometimes but the jobs have always sought him. His family life has been singularly happy; his wife comes from the gifted Le Rossignol family, and his children have had exceptionally brilliant courses at McGill University. One son, Howard, is a specialist in radiology. His daughter Katharine took the gold medal at McGill Medical two years ago and married Davidson Ketchum, assistant professor of psychology at the University of Toronto. Dr. Howward Dawson's wife is a daughter of Dr. Douglas, the author of "Magnificent Obsession" and "Forgive Us Our Trespasses" which have had a very large sale throughout Canada. The other three daughters, Mrs. Sidney Bruneau, Isabel Graham Dawson, who graduated in Arts a year or so ago from McGill University, and Olive Dawson, who is in her second year at the same university, have all lived up to the family tradition of success gained through thorough study.

Strong Church Worker

Outside his business hours Mr. Dawson did not seek green pastures. He allied himself with Great St. James Methodist Church (now a United church) whose huge edifice had been created at the expense of a mountain of debt since liquidated. The most onerous post for a layman was superintendent of the large Sunday school and for many years he held that post. Now he still teaches weekly a Bible class for young women and outside of that is the most influential member of the church. He is a director of the Y.M.C.A., once was its president, and showed keenest interest in the extension work among under-privileged boys.

He has found time in the past to take an active part in the work of the committee of sixteen, to be Governor of Wesleyan Theological College and the Stanstead Wesleyan College.

Disciple of Izaak Walton

Mr. Dawson is a living example of the truth of the adage that a change of work is as good as a rest. There has been so much work that he has not had time to worry; to him hard work has been play but he has taken up games and sports with the same hearty enjoyment to keep himself physically fit. Those who have seen him at his summer house on Lake Manitou in the Laurentians know how fond he is of sailing dinghies and canoes. They have seen him—not long ago either—standing on a board which was towed through the water behind a motor boat at 25 miles an hour. But they have probably not seen him day after day in his two weeks spring holiday fishing for the Restigouche salmon as his canoe drifted down stream. Pitching his tent where night overtook him, he was ready next morning again to let the canoe drift while unweariedly casting the fly for the great game fish.

Every alternate Saturday he foregathers with a diverse group of professors, lawyers, doctors, financiers, business men, manufacturers, scientists known as the Fortnightly Club to talk over every subject under the sun, each in its turn. Men with diverse training make their contributions to the dicussions on national and international problems of a social, economic, literary or philosophical nature. He prepares in his turn whatever paper is assigned to him and joins animatedly in all the discussions.

And lastly he has been a tower of strength to the Montreal Board of Trade. That work over years has led directly and naturally to his new honor. The willing horse is still getting the big loads but as usual he will find scores willing to work with him. Few men in the sixties do so much work. Some say that for some years Mr. Dawson has been trying to withdraw from some of his activities in order to concentrate on the most important but the difficulty is that his associates in each enterprise or association want him to do his withdrawing in some other quarter.

Recently the University of New Brunswick made Mr. Dawson an LL.D. on the occasion of his delivering the Baccalaureate address. That was fitting but now the College of Heraldry should give him a crest consisting of a grindstone rampant on a shield of azure. And countless young men might look on that shield and ponder well whether the grindstone might not get them much farther than "a silver spoon" or a "pull" or a "drag" or "influence" or "a rich wife" or "easy money." But they should remember that behind the hard work was a tenacious memory, an unflagging interest, a sympathetic understanding and a happy disposition. He is a builder, not a fighter. In other words, he is constructive, not destructive. He has not sought to defeat men but has offered to work with them for common ends. He is sincere, direct, spontaneous, unassuming, able. Ask anyone that knows him for a character reading and most will go much farther than this.

Copra in Fiji

Copra, which is the dried flesh of the fruit of the cocoanut palm, is the second most important product of the Fiji Colony. The export in 1933 was 22,597 tons valued at £195,788. In 1929 it was 33,226 tons at £563,978.

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Bank Chat on Current Topics

First Governor

APPOINTMENT of Graham Towers, assistant general manager of The Royal Bank of Canada, to the post of governor of the Bank of Canada has been received with approval by the heads of chartered banks. Bankers in general appear well pleased with the appointment.

The appointment also has the approval of economists and liberal thinkers on money matters because of Mr. Towers' intimate knowledge of the theoretical as well as practical phases of finance and commerce. That luckless fellow "the man in the street" also seems to think that the Government has made a good choice. In fact everybody seems satisfied, with the possible exception of the more radical of monetary theorists of which there are not a few in Canada.

Mr. Towers' combination of practical experience and theoretical study calls to mind the recent aphorism of Dr. Benjamin M. Anderson, Jr., economist of the Chase National Bank of New York: "Theory without fact is empty; fact without theory is blind."

While the Bank of Canada will have a promising governor, The Royal loses a good assistant "g. m." and a strong potential candidate for the general managership.

* * *

Old Lady Spruced Up

THE Bank of England has abandoned the hand-written type of pass book in favor of the loose-leaf typed statement. The "old lady" is behind the five big commercial banks in this respect, but not because of conservative tastes. The Bank of England has twice abandoned the card index system of keeping records because the system has not been as fool-proof as others. The bank has been progressive in its attitude toward mechanization, but has held to many ancient practices where they have been found the most efficient.

Mechanization of banks in Canada, Great Britain and the United States has advanced at a great pace since the war. The Bank of Nova Scotia is particularly proud of its equipment in Toronto. Barclay's, Lloyds and other British banks have contributed some of the most attractive orders received by Canadian manufacturers of business equipment in the last two years.

* * *

Seigniorage Revived

IN ITS monetary inflation policy, the United States government has resurrected the old system of Seigniorage as one means of increasing its wealth. The word "seigniorage" refers to the profits which the state collects in the coining of money. It is derived obviously from the right of the sovereign or seignior to coin money. Thus, when bullion dealers brought their gold and silver to the king's mint to be converted into negotiable pieces of money, the sovereign levied a commission for the work of weighing, assaying and placing upon the coin the image or mark of the current ruler.

In mint circles, the term remained long after the margin of profit lost all connection with the service performed. In the case of the recent United States move, the newly mined silver was purchased at 64.5 cents per ounce, but when turned into minted money the same amount had a face value of $1.29. In other words the government made a clear profit of 50 per cent before converting the silver into money.

This apparently has been going on since June 14, 1934, when President Roosevelt instructed his Secretary of the Treasury to issue certificates against the full mint value of the silver stock. At that time the United States treasury had about 62,000,000 oz. of silver which had cost approximately 75 cents per ounce or a total of $47,000,000. When minted, this silver was worth approximately $80,000,000. Seigniorage, in this case, represented a clear profit of $33,000,000. In other cases, however, the profit was very much larger. The purchase of 100,000,000 oz. from British India holdings not long ago at a reported price of 49 cents gave the United States government a mint profit of $80,000,000, seigniorage on the old stock being some $33,000,000. On three recent silver deals of this kind, Joseph Stagg Lawrence, in his Weekly Message from Washington, estimates the total profit for the government at $271,000,000.

* * *

F. C. Goodenough

RECENT death of Frederick Crawford Goodenough, chairman of Barclays Bank, removed a powerful figure in international finance. Mr. Goodenough was not a familiar visitor in Canada, though he was very well known here by reputation.

In Great Britain, however, Mr. Goodenough came frequently into touch with many young Canadian students through his activities in connection with London House and Great Hall. The latter is a recreational building, modelled on Toronto's Hart House. As chairman of the Dominion Student Hall Trust, a committee of England's leading educationists, he was keenly interested in London House where post graduate students from the Dominions came for further studies.

London House was first opened in 1930 to a group of 12 students, six of them Canadians. As a result of further capital largely subscribed in London through the efforts of Mr. Goodenough, the institution today houses nearly 100 students from the Dominions. The Great Hall which is not yet fully completed now has a population of 250 young men from all parts of the British Empire.

* * *

News of Bank Men

H. B. HENWOOD, general manager of The Bank of Toronto, is in western Canada on a tour of inspection of branches. Mr. Henwood will travel as far as the Pacific coast, and is expected to return to Toronto this month.

Lumber to the Orient

Japan, China and Australia continue good customers for British Columbia lumber, taking about 25,000,000 feet in July out of an aggregate of all countries amounting to 77,900,000 feet—compared with 68,700,000 feet in July, 1933.

Current Events in Banking World

Decries Government Deficits And Absorption Bank Credit

President of Chartered Accountants Body Shows Governments Heavy Bank Borrowers Through Securities

Urging Canadian chartered accountants to inform themselves on the finances of the Dominion, and warning them of dangers that "threaten our soundest institutions," George C. MacDonald, president of the Dominion Association of Chartered Accountants, decried government over-expenditure and government absorption of bank credit in an address to the accountants' convention at Montreal last week.

Accountants have a special duty—to help make the public understand the seriousness of over-expenditure of income in which Canadian governments have been indulging so freely stated Mr. MacDonald. He explained that while part of the deficits is funded by direct borrowing, there is also a great deal of indirect borrowing through bank investment in government securities. Mr. MacDonald elaborated:

Figures Tell Story

"To illustrate what is happening, I have had an analysis made of the returns of the chartered banks of Canada, as at June 30, in various years since 1913. This analysis, in the form of a consolidated balance sheet of all the banks, shows in summarized form the sources from which the banks have raised their funds, and how these funds have been dealt with. Generally speaking, the amount of the deposits from the Canadian public about equals the amounts loaned to the Canadian public and to governments, either directly or through ownership of securities. But what about the proportion? In 1913 securities of the net advances to governments were 6.676 per cent of the deposits from the Canadian public, and the loans to the Canadian public were 93.871 per cent of the same figure. In 1934 the securities of and net advances to governments had risen to 50.969 per cent of the deposits from the Canadian public and the loans to the Canadian public had dropped to 51.489 per cent of the same figure.

Meaning of Figures

"The securities of and net advances to governments have risen from $90 millions in 1913 to $470 millions in 1930, and to $965 millions in 1934.

"The figures used for securities of and net advances to governments include British, foreign and colonial public securities other than Canadian, but the aggregate cannot be large enough to seriously affect the results shown.

"Simply stated, it means that of every dollar deposited in the bank 50 cents is lent to governments, and worst of all that 50 cents is not backed up with assets, as is the case in a commercial loan, but has been advanced largely to cover deficits. The situation is alarming and the public should be made to realize the extent to which their savings are being used to finance government over-expenditure.

Municipal Trends

"There was a slight drop from 1933 to 1934. This is accounted for by a reduction in the amount of securities of and loans to municipalities, whereas the figures for provincial and federal governments have increased. In explanation of the change in the municipal figures, I would draw attention to what has been going on in some provinces where municipalities have defaulted on their bonds. They are not paying bond interest but their bank loans have been reduced. For example, in the last year and a half, the city of Windsor, Ont., paid no debenture interest but yet is reported to have reduced its bank debt by $1,000,000, paid bank interest of $148,000 and had $863,000 on deposit. In addition, during 1933 the province paid 100 per cent of the relief in Windsor, or $1,646,420.

Federal Credit

"It has recently been intimated that the federal government will this autumn ask for a loan of $250 millions. Some of this, being for refunding purposes is already in the 1934 red figures, but where is the rest to come from?

"Last year I made some remarks on this subject, referring particularly to unbalanced budgets. It is these unbalanced budgets that are making the red figures mount. Think of the amount of the deposits of our banks, of the funds of our trust companies, and of our insurance companies which are invested in government securities, and consider that the increasing amount of these securities represents unbalanced budgets—the million dollars a week on our national railways, the advances for relief — federal, provincial and municipal—the subventions to provinces and the increasing debt of our municipalities. Take the case of Montreal alone; how many of you and how many citizens of Montreal realize that the debt of this city has been increasing at a rate of just under two million dollars a month for the last six years. Whenever this is pointed out the expected is offered that these figures include capital expenditure, relief, and so on, but it does not alter the fact that the people of this city today are faced with having to pay taxes to meet interest and amortization of loans greater by between 125 and 150 million dollars than six years ago.

Must Face Facts

"Last year I said that one speaks with diffidence on these subjects through fear of being accused of spoiling the credit of the country, or affecting the success of the next national loan. Today my fear is that unless we very greatly improve the position of our national budget, there won't be any credit left to spoil. How long shall we be able to get money from London and New York, and how much further can the red figures eat into the blue?

"We must now make a decision as to how our public debts are to be settled. There are only two ways: one is repayment and the other is repudiation. Repudiation may take the form of inflation or bankruptcy, but whichever it is it will seriously affect the value of deposits in our banks, our trust funds and our insurance policies. I think it is time that the people of Canada appreciated the facts of the situation. There is no doubt that a great deal has been done in curtailing waste and reducing expenditure, but we do not find any government willing to come forward and boldly increase taxation.

Lessons of Depression

The depression has shown that the only real source from which taxes can be gathered is the productive power of the people of the country. Failing all else, take taxes in kind, as some of the western provinces are doing. Every inhabitant of the country should pay taxes proportionately to the return he gets from the privileges of citizenship. Look at what has happened in Great Britain, where the inhabitants have shown a willingness to tax themselves altogether out of proportion to any other country in the world, and yet they know very well that there is a much less disagreeable situation to be in than what is likely to happen in countries where the public debt is continually increased. Despite all comparisons with other countries which may even be in a worse position than we are, our per capita debt is an appalling figure.

"What we need is common sense to understand the situation, courage to face it and endurance to see it through."

Weekly Bank Clearings

	Sept. 6, 1934 $	Change year ago %	Aug. 30, 1934 $
Halifax	2,075,537	—6.8	1,798,268
Saint John	1,540,617	+6.7	1,766,375
Moncton	604,640	+12.6	728,046
Sherbrooke	538,829	—1.8	441,072
Quebec	3,997,091	+6.3	3,163,342
Montreal	86,744,512	+13.8	68,341,776
Ottawa	3,857,569	+2.7	3,304,028
Kingston	516,050	—2.6	431,038
Peterborough	563,877	—5.0	494,762
Toronto	120,198,815	+50.1	87,399,922
Hamilton	3,380,985	+6.3	2,810,809
Kitchener	833,106	+2.9	724,669
Brantford	617,669	—1.9	604,029
London	2,101,936	—10.2	1,982,269
Chatham	345,222	+8.7	386,292
Windsor	1,543,748	—21.5	1,750,522
Sarnia	403,829	—3.8	281,445
Sudbury	651,345	+20.4	689,134
Ft. William	644,066	+16.3	600,418
Winnipeg	44,397,308	+16.5	54,236,441
Brandon	344,822	+13.6	237,710
Moose Jaw	470,029	—4.1	390,117
Saskatoon	1,291,225	+14.3	983,713
Prince Albert	287,317	+19.4	220,570
Edmonton	3,614,274	+10.7	3,132,826
Calgary	5,309,096	—4.2	4,479,065
Medicine Hat	252,683	+21.3	200,162
Lethbridge	560,180	+28.6	434,337
N. W'minster	485,474	+16.7	542,867
Vancouver	13,217,300	—8.8	13,007,695
Victoria	1,342,903	—27.0	1,114,314

Foreign Exchange Markets

FOR the first time since November, 1933, the pound sterling has gone to a discount in Canada, so that the Canadian dollar has been at a premium in both New York and London. Sterling, however, was virtually at par in Canada in the week ended Sept. 10.

The American dollar has stayed at a discount of well over two per cent in London and in Canada. The significance of this is that there is definite apprehension for the future of the U.S. dollar on the part of foreign speculators and American investors. Ordinarily, for instance, the premium on Canadian funds would be expected to bring American selling of Canadian securities. On the present occasion, however, the premium is believed to be partly due to demand for Canadian securities from Americans who fear their own currency.

Gold standard countries are under similar, but sharper, economic pressure to that experienced by Great Britain after resumption of gold in 1925. French sentiment is apparently becoming slightly less inimical to devaluation of the franc.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Sept. 4	Sept. 5	Sept. 6	Sept. 7	Sept. 8	Sept. 10
U. S. dollar, High	.5906	.97 1/16	.97 3/8	.97 1/2	.97 3/8	.97 1/8	.97 1/8
Low	5906	.97 1/16	.97 3/8	.97 1/4	.97 1/32	.97 1/16	.96 15/16
1933 High	1.000	.....	1.04 15/16	1.05 1/16	1.05	1.05 1/16	1.05 1/8
Low	1.000	.....	1.04 3/4	1.04 7/8	1.04 7/8	1.04 7/8	1.05 1/16
U. K. pound	4.8665	4.88	4.87 1/2	4.86 1/2	4.86	4.85 1/2	4.85 1/4
Argentina	.4246	.2676	26.53	.2658	.2635	.2606	.2595
Australia	4.8665	3.8843	3.8732	3.8751	3.8660	3.8627	3.8603
Austria	.1407	.1870	.1874	.1870	.1869	.1865	.1864
Belgium	.1392	.2318	.2321	.2312	.2311	.2309	.2304
Brazil	.1963	.0662	.0663	.0680	.0661	.0655	.0654 3/4
Czechoslovakia	.0296	.0412	.0412	.0410 3/4	.0410 1/2	.0410	.0408 3/4
Denmark	.2680	.2182	.2180	.2173	.2170	.2169	.2168
France	.0392	.0652	.0652 1/4	.0650	.0649	.0648 1/2	.0646 3/4
Germany	.2382	.3886	.3893	.3903	.3914	.3905	.3900
Greece	.0130	.0095 1/8	.0094	.0094	.0093 1/2	.0093 1/2	.0093
Holland	.4020	.6690	.6703	.6677	.6676	.6661	.6646
Hungary	.1749	.2937	.2944	.2938	.2937	.2931	.2924
India	.3650	.3735	.3734	.3721	.3720	.3713	.3710
Italy	.0526	.0848	.0849	.0846	.0846	.0844	.0842
Japan	.4985	.2959	.2952	.2948	.2917	.2936	.2929
Jugoslavia	.1929	.0227	.0227	.0226	.0227	.0226 1/8	.0225
New Zealand	4.8665	3.8997	3.8887	3.8907	3.8815	3.8782	3.8757
Norway	.2680	.2453	.2452	.2445	.2444	.2442	.2440
Poland	.1122	.1873	.1874	.1874	.1871	.1868	.1867
South Africa	4.8666	4.8729	4.8590	4.8614	4.8500	4.8458	4.8427
Spain	.1929	.1350	.1353	.1347	.1346	.1344	.1340
Sweden	.2680	.2518	.2516	.2510	.2507	.2505	.2502
Switzerland	.1930	.3224	.3231	.3217	.3216	.3210	.3204
Hong Kong	.5422	3846	.3841	.3852	.3851	.3843	.3812

Two Items Transposed in Bank Statement

In the complete statement of the position of the chartered banks as at July 31, published last week in The Financial Post, the figures for "advances under the Finance Act" and "balances due to provincial governments" on the liabilities side of the statement were transposed.

The following are the correct figures under these two headings:

Bank:	Balances due to Provincial Gov'ts. $	Advances under Finance Act $
Montreal	6,976,777	9,000,000
Nova Scotia	665,093	3,214,000
Toronto	1,022,277	2,000,000
Provinciale	48,300	2,600,000
Commerce	7,616,112	7,000,000
Royal	8,377,800	9,000,000
Dominion	498,923	2,456,000
Nationale	1,552,421	3,500,000
Imperial	2,476,735	1,590,000
Barclays	....	84,000
Total	29,225,438	40,444,000

Socialization of U. S. Banks To Result from New Deal?

Further socialization of the U. S. banking structure is seen as a nearly sure result of the huge "new deal" spending programme at Washington by Whaley-Eaton Service, Washington. It is pointed out that the success of the "new deal" depends on continuation of huge expenditures. Private bankers are showing an inclination to caution, so that the U.S. government may not be able to afford to have its financing depend on them.

Private bankers, in brief, have the power to crimp the "new deal" by pulling purse strings. The only sure way for the government to achieve the expenditure it wants is for it to take complete control of the credit and banking functions, according to Whaley-Eaton. The alternative, it is said, is that the banks may break the government's credit and wreck the "new deal."

The Roosevelt administration is going through with its spending no matter how many billions are required. The question remains: Does it mean socialization of U. S. banking?

Canadian bankers will remember how essential to success of war spending by Canada was the co-operation of banks in selling government bonds. This is what is needed by the U. S. Government. A tendency to socialization of banks is already seen in virtual conversion of the Federal Reserve into a branch of government.

Prairie Electric Output

Output of central electric stations in the Prairie Provinces during July amounted to 81,788,000 kilowatt hours, compared with 78,133,000 kw.h. in June and 81,181,000 kw.h. in July, 1933.

Utilities and Transportation

Power Corp. of Canada Betters Net Earnings Per Share On Common

Share Earnings of 20 Cents in Past Year — Deficit in 1933

REDUCE FUNDED DEBT

Market Value of Holdings Shows Little Variation — Special Reserve is Set Up

From Our Own Correspondent

MONTREAL. — Power Corp. of Canada's annual statement for the year ended June 30, 1934, showed net income available for distribution on the common stock amounting to 29 cents a share, compared with a deficit of 12 cents a share in the previous year; a reduction of $480,700 in the par value of the outstanding debentures; and a minor increase in the company's investments which now stand at $25,846,568, as against $25,282,296 at the end of June last year.

Gross revenues of the company from its investments in subsidiary and affiliated utility companies, from other investments, and from engineering and management fees, amounted to $1,525,470, an improvement over the 1933 fiscal year of about $40,000. Operating expenses were $251,000, a decrease of $45,000, leaving net revenue of $1,253,696. After debenture interest, and dividends on preferred stock, there was a balance of $131,000. In the previous year there was a deficit of $54,933 after taking care of the foregoing charges.

Set Up Reserve

In addition the company had profits from the sale of securities of $188,000, discount on debentures purchased and cancelled of $170,000, making a total of $358,000, which amount was placed through a special reserve.

At the end of the 1934 year Power Corp. reported on the market value of its investments that over 70 per cent is represented by bonds and shares of its subsidiary and affiliated hydro-electric and utility companies.

Power Output Up

In a review of the activities of the associated enterprises, A. J. Nesbitt, president, stated that there was an increase of 5 per cent in the kw.h. output of these companies for the fiscal year ended June 30, 1934, while for the six months period ending June 30, 1934, the increase was over 8 per cent.

Details of Income Account

Particulars of the profit and loss accounts for the past two years follow:

	1934 $	1933 $
Gross revenue	1,525,470	1,485,341
Less: Expenses	266,028	311,785
Taxes	5,746	5,329
Net earnings	1,253,696	1,168,227
Less: Interest	522,489	623,160
Net profit	731,207	545,067
Less: Pfd. divds.	600,000	600,000
Surplus	131,207	*54,933
Brought forward	1,012,286	1,805,700
Loss on sec. sales	......	738,481
Carried forward	1,143,493	1,012,286

*Deficit.

Small Gain in Assets

At the end of last June Power Corp.'s balance sheet showed assets totalling $28,173,155, compared with $27,829,952 at the same time last year.

Owing to the writing down of investments by nearly $13,000,000 in 1933, it is not possible to make comparison of the distribution of the company's investments as at June 30, 1934. The book value of such investments, however, amounts to $27,338,632 compared with a depreciated value of $27,320,434 last year. Of the investments carried on the books this year, investments in subsidiary companies amounted to $9,907,888; affiliated companies, $10,157,410; and other investments, $7,273,334.

Market Value Strengthens

The market value of Power Corp.'s investments at June 30, 1934, was $25,846,568 as compared with $25,282,296 about the same date last year.

Among current accounts, receivables show an increase of approximately $30,000 to $290,076. Cash on hand and in banks amounts to $232,826 compared with $51,563 a year ago. In connection with the latter item, however, it must be noted that a demand loan of $150,000 appearing in the 1933 statement has been liquidated.

Several changes are noted among the company's list of liabilities. No change has taken place in the outstanding preferred stock, while the issued common stock increased during the year from 446,153 to 446,196 shares.

Reduce Funded Debt

The funded debt of the company underwent a further reduction during the past twelve months. Outstanding series A debentures amount to $2,146,500 as against $2,276,200 a year ago. The series B debentures in the hands of the public total $8,817,500, as against $9,178,500 a year ago.

An item in the balance sheet this year, as already mentioned, is special reserve of $358,257. This represents net profits on sale of securities and discount on debentures redeemed during the past year.

Two new items appear among the liabilities in this year's financial statement. One represents a contingent liability of $140,000 covering guarantee of a mortgage payable, and the other a contra account of $270,000 covering an investment commitment.

Power Corp. Group Covers Wide Field

From Our Own Correspondent

MONTREAL.—At the end of last June Power Corp. of Canada's investments had a market value of $25,846,568, of which over 70 per cent was in the bonds and shares of its subsidiary and affiliated hydro-electric and utility companies. Some of the subsidiary and associated companies in which Power Corp. is interested follow: B. C. Power; Canada Northern Power; East Kootenay Power; Foreign Power Securities; Northern British Columbia Power; Southern Canada Power; Winnipeg Electric; Manitoba Power and Northwestern Power. These companies carry on operations in all provinces except the Maritimes and Saskatchewan. They have a developed plant capacity of 758,000 h.p., and in 1934 generated 1,738,078,955 kw.h., as against 1,646,092,104 kw.h. in the previous year.

Montreal Coke Affected by Drawback on Imports

From Our Own Correspondent

MONTREAL.—Through an Order-in-Council passed recently, the Dominion Government has reimposed the 99 per cent drawback on imported bituminous used for coking purposes, provided the manufacturers use 35 per cent Canadian coal.

This action will be of advantage to Montreal Coking Manufacturing Co. which not only imports coal, but uses large quantities of Nova Scotia coal for coking purposes.

Montreal Coke is jointly controlled by the Montreal Light, Heat and Power Consolidated and the De Koppers Co. A few years back the company made a public offering of bonds. This is the only obligation of the company in which the public is directly interested, as control of capital stock is held by Montreal Coke and De Koppers jointly.

National Light Output Increases for July

Output of National Light & Power Co. was 1,668,888 kw.h. in July, 1934, compared with 1,661,286 kw.h. in July, 1933.

In the seven months to July 31, first mortgage bond interest was earned 1.63 times after depreciation, compared with 1.54 times in the same period of 1933. Earnings for the seven months compare:

Seven Months' Earnings

	1934 $	1933 $
Gross earn.	277,788	270,648
Oper. exps.	135,585	136,896
Oper. earnings	142,203	133,752
Less: Deprec.	13,889	13,532
Taxes	15,457	15,400
Bond interest	70,000	70,000
Add: Misc. income	1,549	3,256
Net profit	44,406	38,076

SIR NEWTON MOORE URGES TIGHTENING COAL PROTECTION

Dosco Head Tells Jones Commission Needs of Industry

From Our Own Correspondent

MONTREAL. — More suggestions designed to strengthen the tariff protection of Nova Scotia-mined coal were advanced by Sir Newton Moore before the Jones Commission, enquiring into economic conditions in Nova Scotia.

The proposals put forward by Sir Newton follow:

The present duty of 75 cents per net ton, imposed by the Intermediate and General Tariff on bituminous coal imported, should be maintained or increased;

That coke, now imported free of duty from Britain, should bear a duty of 1.6 times the present duty of 35 cents per net ton, to equal the bituminous coal content of such imported coke (a ton and one-sixth of coal is necessary to make one ton of coke);

That the present duty of 35 cents per net ton charged under the British preferential tariff on bituminous coal should be maintained or increased;

The present intermediate and general tariff of $1 per net ton on coke and 40 cents per net ton on anthracite should be maintained or increased.

Importance of Industry

In citing the importance of coal mining and the steel industry to Nova Scotia, Sir Newton Moore told the Commission that employees of Dominion Steel and Coal Corp. in the province totalled 68 per cent of the persons employed in manufacturing. Of approximately 23,000 thus employed, 15,000 are absorbed by Dosco.

The coal resources of the province, Sir Newton said, with the exception of a small reserve in New Brunswick, are the only source of coking bituminous coal in Canada, east of Alberta. From the standpoint of the economic welfare of Nova Scotia itself, what is to be sought for in regard to coal mining, he continues, is to place it on a permanent basis of stabilized production, with minimum variation between the extent of summer and winter operations.

Competing Area Limited

Speaking of the assistance given by subvention, he said: "Coal carried by vessels from the province to St. Lawrence ports can, because of water carriage equipment, including piers at the mines and discharging docks at Montreal, Three Rivers and Quebec, compete in the waterfront with U.S. imported coal, but cannot compete when moved to inland destinations because of costly short-haul railway rates."

Sir Newton emphasized steel's importance to the province, classing it of national importance because it provided advantageous employment for a large population and because it was essential from the standpoint of national independence and security. Normally the steel plant employs an average of 2,800, but in 1929, 3,350 men were employed, whose combined wages and salaries amounted to $4,842,640.

Montreal Power Releases New Schedule of Rates

Residential Charges Reduced — Preferential Rates to Users of Large Quantities Basis of New Schedule

From Our Own Correspondent

MONTREAL. — Montreal Light Heat and Power Cons. announces a reduction and revision of electricity rates for domestic purposes.

In the past the company's rates were based on a rule-of-thumb method, whereas the new schedule, which is subject to approval by the Quebec Public Service Commission, approaches the matter from the point of view that the more electricity used by the consumer, the less it should cost him.

The proposed electricity tariff applies only to residential service and does not include the commercial and industrial divisions. The new rate will apply to domestic lighting, heating, cooking, refrigeration and household appliances. To date the company has a meter charge of 15 cents a month, while power consumed was charged at the rate of 3 cents net per kilowatt hour, with a minimum monthly bill of 50 cents.

Establish Initial Charge

Under the new schedule the meter charge will be done away with, while the initial charge will amount to 59.4 cents net. For this sum customer will be permitted to use from 0 to 10 kw.h. monthly.

For the next 60 kw.h. of electricity consumed, the charge will be 2.52 cents per kw.h; for the next 130 kw.h., the charge will be 1.8 cents per kw.h., while all consumption above 200 kw.h. per month will be billed at the rate of .9 cents per kw.h.

The new schedule also provides for possible increases in taxes, and it is stated that discriminatory taxes will be charged pro rata to the municipalities where such taxes may be imposed.

Only Awaits Approval

It was planned to make the reduced rate applicable to consumption after the first regular meter reading following the authorization of the tariff by the Quebec Public Service Commission.

In an official statement accompanying the new tariff schedule, it was stated that the proposed schedule will represent an immediate loss to the company of approximately 10 per cent of revenue from residential customers, based on present consumption.

Opportunity

to obtain an attractive medium of investment is provided by the new issue of Province of New Brunswick 4% Sinking Fund Bonds, due September 1st, 1954.

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TRADE MARK

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News of Investment Markets

BOND MARKETS FIRM AND DULL; EXPECT LOANS

Dealers Wonder Whether Gilt-edged Bonds Now at Peak

Bond prices in Canada remained firm in the week ended Sept. 11. Gilt-edged bonds remained at approximately the best levels of a year of rising prices for such issues. Corporation and less highly regarded government and municipal bonds showed a mixture of gains and losses. The stalemate in this secondary market, which has existed for some months, leaves prices not far from the levels of early summer.

The offering of $1,100,000 of 20-year New Brunswick 4's at 100 3/8 to yield 3.90 per cent had a fair early reception. Demand for bonds yielding less than four per cent is reported to be coming chiefly from institutions. The individual investor has apparently not adjusted his way of thinking to the low rates that have developed rather sharply in the past year.

May be More Loans

The strength of the market is expected to bring out further borrowing despite the nearness of the Dominion Government's autumn loan. At least one large corporation offering and one municipal loan are expected. Dealers find credit-worthy municipalities more inclined to consider new financing. A considerable volume of capital expenditures remains on municipal balance sheets in the form of floating debt to banks.

Has Peak Come?

While outwardly confident, some dealers are apparently beginning to wonder whether the Canadian gilt-edged bonds have not approximated their peak levels of this year's rise. The Dominion loan is not expected to exert a strengthening influence, and Canadian government bond prices are now nearly as high as in London. The premium on the Canadian dollar against both New York and London is expected to exert a depressing influence on the market, if it persists.

The firmness of gilt-edged bonds is shown below:

Average Yield and Price on Seven High-grade Canadian Bonds

1934	Yield %	Price $	1933	Yield %	Price $
Sept. 11	3.736	111.11	Sept. 11	4.386	104.23
Sept. 10	3.734	111.12	Sept. 9	4.381	104.26
Sept. 8	3.736	111.10	Sept. 8	4.379	104.30
Sept. 7	3.737	111.07	Sept. 7	4.374	104.38
Sept. 6	3.733	111.12	Sept. 6	4.364	104.56
Sept. 5	3.739	111.05	Sept. 5	4.357	108.78
Sept. 4	3.734	111.07	Sept. 2	4.364	104.52
Sept. 1	3.740	111.03	Sept. 1	4.364	104.52
Aug. 31	3.740	111.03	Aug. 31	4.359	104.59

Anticipations that the high prices of gilt-edged bonds will drive funds into lesser securities have not been fulfilled yet. If adverse influences do not undermine the strength of government securities, an upward trend of corporation bonds is looked for in some quarters. Meanwhile markets are marking time, pending the Dominion loan, and in some apprehension of the premium on Canadian funds.

Bond Sales

New Brunswick

Province of New Brunswick has sold $1,100,000 of 20-year four per cent bonds to a syndicate of banks and dealers at 100.077, a cost basis to the province of about 3.99 per cent. Bids were as follows:

Syndicate	Bid
Dominion Secs., A. E. Ames & Co., Wood, Gundy & Co., Royal Bank, Bk. of Montreal, Eastern Secs.	100.077
Imperial Bk., Royal Secs., Hanson Bros., Harrison & Co., McTaggart, Hannaford, Birks & Gordon	99.38
Bell, Gouinlock & Co., McLeod, Young, Weir & Co., Fry, Mills, Spence & Co., Bk. of N. S., Dominion Bk., T. M. Bell & Co.	99.37
Cochran, Murray & Co., Drury & Co., Dyment, Anderson & Co., Griffis, Fairclough & Norsworthy, Matthews & Co., Midland Secs., Nesbitt, Thomson & Co., R. A. Daly & Co.	99.03

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Calgary Brew.	§5%	1942	Nov. 1	105
American Sales Book Co.	*5%	1939	Oct. 1	103
Dom. Canners	♦5%	1940	Oct. 1	110
Investors Equity Corp. Series A	5½%	1949	Oct. 1	104
Northern Electric	5%	1939	Dec. 1	105
Cumberland Rly. & Coal	†5%	1940	Sept. 19	...

* $250,000 for retirement.
♦ $85,000 for sinking fund.
§ Purchase of bonds for sinking fund.
† $30,274 for sinking fund.

Bond Tenders

8 o'clock, p.m., Sept. 18, Drummondville, P.Q.—$40,000, 4½ per cent bonds, dated Sept. 1, 1935, redeemable serially to Sept. 1, 1964, for sewerage construction; $23,100 4½ per cent dated June 1, 1935, redeemable serially to June 1, 1959; $14,000, 4½ per cent, dated Aug. 1, 1935, redeemable serially to Aug. 1, 1959, to replace temporary debentures issued in 1929. Joseph Marier, sec.-treas.

8 o'clock, p.m., Sept. 17, Sch. Mun. of City of Sorel, P.Q.—$225,000, 5 per cent, dated June 1, 1934. Separate tenders invited for: 1, payable serially, each year, for 10-years; 2, for 20-years; 3, for 30-years; 4, for 40-years. J. B. T. Lafreniere, sec.-treas.

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Significant Investors' Index Numbers

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1929-33:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	23.7	44.0	30.5	38.6
Monthly Figures, 1934:										
January	98.1	11.4	74.9	147.0	66.6	122.6	163.6	118.6	53.5	83.8
February	114.6	13.6	77.1	153.7	73.3	128.2	148.5	123.8	58.0	88.7
March	113.6	13.2	77.1	152.2	76.3	129.4	141.8	128.5	58.0	90.3
April	114.9	13.2	75.2	159.4	76.8	134.3	138.0	133.0	58.1	93.4
May	106.9	13.8	74.3	159.0	79.1	129.9	113.8	128.0	56.7	91.1
June	104.7	12.5	74.1	161.9	77.7	128.1	113.5	126.1	54.5	89.8
July	97.8	10.5	72.4	153.8	72.7	123.3	86.7	116.6	50.6	83.1
August	100.7	9.9	73.2	158.0	73.1	125.5	91.3	120.1	51.2	85.9
Weekly Figures, 1934:										
Sept. 6	98.7	8.9	74.1	159.5	72.8	131.8	115.7	122.1	50.8	91.1

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Sept. 11 close	94.63	127.05	87.01
Sept. 10 close	94.65	127.59	87.76
Week ago	97.25	131.12	90.08
Month ago	96.37	127.96	91.34

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Sept. 11 close	61.7	53.7	56.4
Sept. 10 close	61.9	54.3	56.8
Week ago	62.6	55.6	58.0
Month ago	64.1	55.8	58.6

Consumers' Gas Touches 200

MOST people outside the body of investors who have always had a high opinion of the investment merits of Consumers' Gas were surprised last week to see this common stock run up to the 200 mark. Even though the company is permitted by law to charge rates sufficient to bring $10 a share on the stock the fact that in recent years earnings have fallen short of this mark might have been considered a sufficient impediment to a quick speculative move in what has been considered intrinsically a stock for straight investors.

Such quick moves have occurred in the past when the market was hoping from year to year for the granting of rights to shareholders to buy new common stock at attractive figures. The change whereby the company has sold stock by tender to finance its needs for expansion seemingly did not hamper the company in good times. If that policy were to be adopted again as necessary to maintain market interest in the company's capital needs a quick upward move might be explained. However, the company needs no money and no application for more capital is expected.

* * *

Public Interest Renewed

THE only explanation afforded is that sales of appliances have gone up and that sales of gas are better. That is good news but only to be expected. The upward move of the stock from less than 170 in January has shown the high confidence of the market that business and profits would recover. The net gain over the year in market valuation is not so apparent. For instance, the average price was 187.9 in the week ended August 31, 1933 and on August 30, 1934, it was 188 and then in a day or two it ran up to 200. It is now back at 190. Like the Duke of York's army, "it marched up the hill and marched down again."

The reason is doubtless that the public is once again alive to the exceptionally wonderful earnings and dividend record of Consumers' Gas. Whereas 91 shares changed hands in the week ended August 31, 1933, there were 668 shares sold in the week ended August 30, 1934. When available stock was cleaned up price ran up quickly to tempt out more stock. That the flurry occurred at all is another evidence of reviving buying strength on the utility market. The higher prices for government bonds are causing investors to look over utility stock possibilities.

* * *

Is Consumers' Gas Bell Wether?

THE flurry in Consumers' Gas does not necessarily betoken a reviving interest which will take utility stocks into higher ground but it does seem to show more purchasing power available whenever the situation of a well-known utility appeals to the public as offering opportunities for advancing earnings and, later, of dividends.

For a year prices have fluctuated in the utility group but the net result of the year is a market valuation not far different from that a year earlier. Changes that did occur reacted to individual considerations affecting the various companies and were not group movements. Investment buying demand just about balanced sale offerings.

Note the changes in the following well-known Canadian utility stocks as showing that the public is still blasé about utility prospects.

Year's Changes in Utility Stocks

	Aug. 10 1933	Aug. 30 1934	Sept. 10 1934
Bell Telephone	113.0	117.6	117.6
Brazilian	14.7	10.9	9.75
B. C. Power, A	24.4	27.0	26.0
Can. Nor. Pr.	16.0	20.6	19.5
Mtl. Power	37.8	34.3	32.25
Shawinigan	19.2	19.9	19.0

Bell Telephone's small rise was in response to the pick-up in long distance receipts. Brazilian's fall was a natural result of the Brazilian Government's decree making utility earnings payable only in Brazilian paper money. B. C. Power "A" went up in response to the growing activity in lumbering and mining in the Pacific Coast province. Canada Northern Power also benefitted from expansion of mining activities in Ontario and Quebec. Montreal Power's decline is harder to connect with company prospects. Shawinigan has not adequately reflected the improving situation, some think.

* * *

Pete Possibilities Great

IMPERIAL OIL subsidiaries have drilled 1,281 miles of hole into the rocks of Colombia, Peru and Alberta in the course of their successful search for crude oil. In so doing they opened the way to securing hundreds of millions of barrels of crude oil in the post-war period.

In the last few years drilling operations have been confined only to what was necessary to maintain production but the organization can easily be expanded in case of need to drill on the old scale of some years ago wherever exploration shows success to be possible or probable.

This is the background which keeps interest high in stock of International Petroleum. It is believed that extension of exploring activities is now more of a possibility than for years. The company has ample scope in its own areas both in Colombia and Peru.

* * *

Distillery Stocks Sluggish

FROM August 31, 1933 to August 30, 1934 weekly average prices of Hiram Walker-Gooderham & Worts stock dropped from 47.9 to 27.6 a share and of Canadian Industrial Alcohol "A" from 18.9 to 8.2, Distiller Corp.-Seagram's common dropped from a high of 52½ in 1933 to a present price of 13½ and Brewers & Distillers from $3.85 in July, 1933, to 65 cents now. These figures show that cold actualities nine months after prohibition ended are very far from the high expectations three months before the event.

It was easy to calculate that with a dearth of properly aged American type liquors in the United States and 25,000,000 proof gallons available from Canada, all Canadian companies would make a killing. If these supplies had been one inch south of the international boundary on December 5, 1933, that simple calculation would have been realized in all probability. But $5 a gallon duty has been quite an impost for all but smugglers, and excise and other taxes in the United States a considerable obstacle to all but bootleggers. Even so Canadian companies have been making some money but far below what was hoped.

* * *

Tough Tummies

HOPE long delayed about customs duty reduction has made investors sick. The unexpected toughness of the American drinker's stomach is also a circumstance which immensely adds to the stores of available liquor. Aggressive advertising of formerly well-known brands, the provision of straight and properly aged liquors may be expected in better times to make way against cheap liquors. But even so competition within the industry is steadily increasing.

It is still true that United States companies, while needing large sums of money to finance credits and to put aside large stores for ageing purposes, should need Canadian supplies to aid them in making cheap blends potable.

The first flash of repeal enthusiasm has waned. Drinkers demand a cheap drink. Ohio Liquor Commission reports its more expensive liquors gathering dust on shelves while 85 per cent of sales are for whiskies less than $2 for one fifth gallon. Walker's United States subsidiary is meeting that situation by cheaper unbranded whiskies. Faking of labels has hurt reputation of Canadian brands to some extent in circles that demand better liquor. War against bootleggers would also help the situation for legal sale of Canadian inventories.

LaTuque Pays Interest Due Aug. 1 and Sept. 1

Town of LaTuque, Que., has been authorized by the Quebec Municipal Commission to pay interest due Aug. 1 on bonds issued under by-laws 6 and 179 and interest due Sept. 1 on bonds issued under by-laws 96 and 200.

Holders of past due bonds to which no coupons are attached may obtain payment by corresponding with P. E. Riberdy, secretary-treasurer for LaTuque.

SIN-MAC LINES BONDHOLDERS RECEIVE OFFER

Joseph Simard Seeks Part of Assets, Bidding $150,000

LOSS TO INVESTORS

From Our Own Correspondent

MONTREAL.—Holders of the first mortgage bonds of Sin-Mac Lines Ltd. will meet at the beginning of next month to consider a proposal whereby the greater part of the assets of the company located east of Port Weller, including all the fixed assets now situated at, or in the case of floating equipment, operating out of Montreal, Sorel and Kingston, as well as the S. S. Rapids Queen at Morrisburg, but not including cash securities, receivables, or other liquid assets, except those resulting from the operation of the assets to be purchased from and after May 15, 1934, will be sold to Joseph Simard.

The purchase price offered is $150,000 in cash. Bondholders are also to receive one share of common stock in the new company to be formed for each $100 principal amount of first mortage bonds held by them.

Form New Company

According to the offer made by Mr. Simard, the new company is to be formed with an authorized capitalization of $500,000 ten-year 6 per cent first mortgage sinking fund bonds, on which interest will be payable semi-annually and which will be redeemable at par on any interest date, 75,000 shares of no par value common stock.

Of the bonds, $310,000 will be issued, of which $150,000 will be used for cash advanced for the purchase of the assets of the Sin-Mac Lines; $40,000 will be used for working capital and organization expenses; and $120,000 is to be issued against 75 per cent of the value of two new tugs now being built, if, as and when delivered with clear title to the new company. The balance of the bonds may be issued against 75 per cent of the value of any additional equipment which may be required at a later date.

Share in Common Stock

Of the common stock, one share will be allotted for each $100 of Sin-Mac Lines bonds now outstanding and will be issued as part of the purchase price in addition to the aforementioned $150,000 payable in cash.

The offer made by Mr. Simard remains open for acceptance until October 15, 1934.

As far as can be gathered from the brief description of the assets involved, the offer made by Mr. Simard, and contained in the notice calling the bondholders' meeting, most of the company's assets are involved in the proposed sale.

History Has Been Brief

Sin-Mac Lines was incorporated in 1928 to conduct general towing, wrecking, and salvage operations in all of the principal Canadian ports, from Fort William to the Atlantic seaboard. Operations represent approximately 90 per cent of the business in these waters.

Five companies were taken over and consolidated by Sin-Mac Lines. The properties absorbed include the Dominion Towing and Salvage Corp., Port Arthur; Reid Towing and Wrecking Corp., Sarnia; John E. Russell, Toronto; Donnelly Salvage and Wrecking Corp., Kingston; and Sincennes-MacNaughton Lines, of Sorel and Montreal.

Bonds Sold Publicly

In the early part of 1929 public financing was carried out. The company offered $1,500,000 of 6 per cent first mortage bonds. The capital stock, which was not publicly offered, comprises $906,000 of 7 per cent cumulative preferred stock and 53,120 shares of no par value common stock.

The bonds were offered in April, 1929, by W. C. Pitfield and Co., at 99 and accrued interest.

In the following year, operations were so restricted that the company showed a net operating deficit of $225,536, after depreciation, bond interest and bad debt write-offs.

Default Came Quickly

In 1931, although operating expenses were cut by some 25 per cent, the company was forced to default on first mortgage bond interest. Subsequently, in December, 1931, it was announced that a bondholders' protective committee had been formed and that the trustee for the bondholders, the Montreal Trust Co., stated that the security under the mortgage indenture had become enforceable. The following month, a winding-up order was issued by the Courts against the company on petition of the creditors. Since the beginning of 1932, the company's property has been operated under the direction of the bondholders' protective committee.

$1,388,994 of Fixed Assets

The balance sheet of Sin-Mac Lines at the end of 1933 showed assets totalling $2,497,877. The value of the company's fixed assets, less depreciation reserve of $863,033, was shown on the books at $1,388,994.

Current assets totalled $253,829 as against current liabilities of $58,917, leaving a net working capital of $194,912.

Oscar Hudson & Co. Made Hydro Auditors

Oscar Hudson & Co., Toronto chartered accountants, have been appointed auditors for the Hydro-Electric Power Commission of Ontario.

Hudson's Bay Stock Reflects Profits Rise

Hudson's Bay Co., which in the year ended January 31, 1934, earned 1.44 per cent on the £2,000,000 of 5 per cent cumulative preference stock, has been earning so much more in 1934 that the stock market in London discounts an early resumption of dividend payments. There is more than four years arrears on this stock.

The preference stock is selling at £5 2s. 6d., the par value being £5 and even the ordinary stock of £1 par value is selling at a premium at 23s. 9d. a share. It cannot share in earnings until preference arrears are paid off but even four years arrears, or 20 per cent on preferred, could soon be paid off if business eventually recovers to the average earnings from 1910 to 1930. Much of that recovery depends on international considerations but optimism is warranted on the ground of the company's success in adapting its operations to the new conditions brought about during the depression.

Simpson's Sales Forced Upwards By Rain and Cold

Simpsons Ltd., business in the first eight months of 1934 has shown a definite improvement over the same period in 1933. The first ten days in September have also shown a 15 per cent gain over the same time in 1933, and that is a most hopeful augury as the last four months of any year are usually the best selling period for departmental stores. Some of this increased business can be traced to the unseasonable weather with which September began, and there may possibly be some slowing up if there is later any protracted period of warm, sunshiny days. But, making all allowances, the start for a better season is definitely auspicious.

These results are regarded as very encouraging for the holders of the 6½ per cent preference stock. A dividend of $1 a share was paid on August 1 for the first time in two and a half years and the earnings of the next four months will have an important influence on policy as to size and frequency of dividend payments in future. This improvement in sales is quite general. The Montreal and Toronto stores experience the uplift in demand and from Halifax to Regina gains are reported. The mail order business also is larger in every province.

SAYS DEBT PLAN WILL WIN CREDIT B. C. BORROWERS

Municipal Debt Conversion Plan Assailed By Bond Dealers

Credit of British Columbia municipal borrowers will be ruined, according to G. Lyall Fraser, president of the British Columbia Bond Dealers' Association, if the provincial government's debt conversion plans for the city and district North Vancouver and Burnaby go through. Mr. Fraser states that he will call an immediate meeting of his association executive to discuss the government's action.

The B. C. government proposes that the debentures of the defaulting district and of the city of North Vancouver, and of Burnaby, be exchanged for new 25-year bonds at interest rates varying from 1 to 4 per cent. The total debt of the three municipalities involved is approximately $10,000,000. The conversion plan, which would not become operative until passed at the next session of the legislature, is sponsored by Hon. A. Wells Gray, provincial minister of municipalities. Mr. Gray maintains that resumption of interest and sinking fund installments on the present bonded debt of the three municipalities is impossible.

The interest rate, under the plan, would be one per cent. per annum for the first three years but would be subjected to upward revision thereafter, such revision to be determined by the minister of municipal affairs. The interest rate would never exceed four per cent.

Present sinking-fund holdings would be placed in trust with and be administered by the provincial minister of finance to form the nucleus of the sinking fund required to liquidate in full the new issue at maturity.

A scheme to reduce the rate of interest on bonds of the city of Prince Rupert, B.C., to four per cent has been sponsored by W. J. Alder, commissioner for the defaulting city appointed by the B. C. department of municipal affairs.

Monarch Knitting Co. Pays $6 on Preferred

A further payment of $1 a share on arrears of dividends on the 7 per cent preferred stock of the Monarch Knitting Co. on October 1 next will reduce arrears to $48.25 per share. This brings the amount paid on arrears in the present year to $6 a share. If another payment is made of $1 it would amount to the full dividend on the stock. This is welcome evidence of the recovery in earnings of this company in the last year.

BALANCE BUDGET OR NO BORROWING BANKS TELL CITY

Montreal Told to Put Finances in Order — $7,000,000 Needed

From Our Own Corrrespondent

MONTREAL. — Montreal's city bankers have issued an ultimatum to the city that unless the budget is balanced, the city cannot borrow $7,000,000 necessary to meet the deficit and relief expenditures during the next three months.

For several months past efforts have been made to re-establish the city's credit to make it possible to fund the outstanding deficit debt through loans. A committee of Montreal business men were appointed to approve of the city's budget needs before the banks would advance the necessary funds. This "brain trust" had a short-lived and uneventful life, as Mayor Houde recently brought about their dismissal.

Coffers Are Empty

At present the city is faced with the task of raising $7,000,000 in order to meet the current deficit and relief expenditures over the next three months. The Bank of Montreal and the Banque Canadienne Nationale, the city's bankers, have made it quite plain that the loan will not be forthcoming unless the budget is balanced.

Requirements of the city were submitted to the members of the Advisory Board, composed of business men, but they declined to approve such advances unless given a status which would confer on them powers over the budget and expenditures of the city. These powers were refused and the Board dismissed.

Now Up To City

In an open letter to Mayor Houde, the two banks review the city's finances and conclude by saying:

"We are willing to provide the money necessary for the payment of relief to the unemployed and for maintaining the operating services of the city, but obviously this must be contingent upon measures being taken to reinstate the city's credit so that a market may be opened for permanent financing of the city's debt at the high rating to which it should be entitled. The question as to how this can be brought about is one which the city administration has elected to decide for itself, and we shall be glad to be apprised of its decision at the earliest possible moment as the matter is one of extreme urgency, having in view the payroll which should be met on September 15 and relief expenditures which should be uninterrupted."

OFFER N.B. BONDS AT PRICE ABOVE PAR

Banks Head Syndicate Selling $1,100,000 of 4% Issue

From Our Own Correspondent

MONTREAL.—The Bank of Montreal and the Royal Bank of Canada head a small syndicate which is making a public offering of $1,100,000 Province of New Brunswick 20-year 4 per cent sinking fund debentures. A fair early demand for the bonds is reported.

These bonds, which are non-callable, are payable as to interest and principal in Canadian funds only. The offering price is 101⅜ and accrued interest, to yield approximately 3.90 per cent.

Are Direct Obligation

These debentures are a direct and primary obligation of the Province and a charge on the consolidated revenue funds. Both principal and interest are exempt from taxation in New Brunswick for all provincial, civic, municipal and school purposes except succession duties.

Proceeds of this issue will be applied $600,000 for hard-surface roads, $400,000 capital expenditure on New Brunswick Electric Power Commission and $100,000 direct unemployment relief.

A sinking fund will be established sufficient to retire 50 per cent of this issue at maturity.

Seattle Brewery Shares Offered Br. Columbians

Bird & Talling, investment dealers of Vancouver, are offering participation at $2 a share in an issue of eight per cent non-cumulative preferred shares of Silver Springs Brewing Co. of Seattle, Wash. British Columbia investors are being informed that proceeds of issue will be used to erect a modern brewery fully equipped in Seattle to deliver beer early in 1935. A bonus of one share of common stock is offered with each two shares of preferred.

The preferred outstanding of $2 par value will be 99,400 shares. There are 120,000 common shares.

Initial capacity of plant is set at 30,000 barrels and on sales in the states of Washington, Oregon, Idaho, Montana and Alaska profit is hoped for at $5 a barrel, promoters state. This would be ten times preferred requirements, if profit and volume expected are both realized.

Two directors from British Columbia are promised.

Form New Bond Firm to Operate in Toronto

E. H. Gooderham, S. A. Mullin and C. F. Richardson, all of Toronto, have formed a new bond firm, Gooderham, Mullin & Richardson Ltd., with offices in the Canada Permanent Bldg., Toronto.

Mr. Gooderham is a grandson of W. G. Gooderham, president of The Bank of Toronto, and has been associated with Duncanson, White & Co., Toronto brokerage house, for some years. Mr. Mullin was formerly Toronto manager for Nesbitt, Thomson & Co., and more recently was in charge of the bond department of Duncanson, White & Co. Mr. Richardson was formerly with the National City Co. in the bond business in Toronto and Montreal, and until formation of the new firm was Toronto manager for Hanson Bros. Inc.

Move Toronto Offices

Seagram, Harris & Bricker, members of the Toronto Stock Exchange, have moved their Toronto offices from The Royal Bank Building to 34 Adelaide St. West.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

	Date Sold	Sold to	Rate	Due	Amount	Price	Cost
Municipal—							
Giffard, Que.	Sept.	Garneau, Boulanger & Co.	5%	10-yr.	$46,000	99.27	5.10%
			5%	1 to 10-yr.	4,000		
Moncton, Board of School Trustees	Aug.	Bank of Montreal	4%	15-yr.	$100,000	96.67	4.30%
Provincial—							
New Brunswick	Sept.	Bank of Montreal, Royal Bank, Dominion Securities, A. E. Ames & Co., Wood, Gundy & Co., Eastern Securities	4%	1954	$1,100,000	*101⅜	3.90%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

	Date	Offered by	Rate	Due	Amount	Price	Yield
Bond Issues—							
Beauharnois L. H. & Pr.	Sept.	Dominion Securities and syndicate	5½%	1973	$2,960,000	101½	5.40%
Stock Issues—							
O'Connell Gold Mines	Sept.	Direct	...	Treas.	200,000 shs.	30c.	....

*Offering price.

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Offer $2,960,000 Of Beauharnois To Yield 5.40 p.c.

Offering is being made of $2,960,000 of Beauharnois Light, Heat & Power Co. 5½ per cent first mortgage bonds at 101½ to yield about 5.40 per cent. The bonds are understood to be part of the now small remainder of the block of $24,148,000 taken up by banks at the time of reorganization of the Beauharnois enterprise in 1933.

The offering is being made by a syndicate headed by Dominion Securities Corp. and including A. E. Ames & Co., Wood, Gundy & Co., Société de Placements du Canada, Collier, Norris & Henderson, Royal Securities Corp., Nesbitt, Thomson & Co., and McTaggart, Hannaford, Birks & Gordon.

It will be recalled that a block of $15,000,000 of the bonds was offered last April at 95½ and another $2,800,000 at 96⅛ in May. The higher price for the present offering reflects the improvement in the bond market in the intervening period. Open market price for the issue is 100½ bid, 101½ asked. Sale of the $2,960,000 block will leave only $3,548,000 of the bonds on banks' hands.

Duke-Price Power Co. Seeking to Retire Bonds

From Our Own Correspondent

MONTREAL.—Duke-Price Power Co. has issued a notice to holders of its 6 per cent first mortgage bonds asking tenders for sale of bonds up to an amount of $248,436, at a price not greater than $1,052.50 and accrued interest per $1,000 par value bond. Tenders will be received by the company up to September 18. The bonds are for the purpose of meeting with the sinking fund requirements.

At the end of last year Duke-Price Power Co. had outstanding $35,791,000 of bonds. As these bonds are now selling at a discount, it is expected that the outstanding funded debt will be reduced to around $35,500,000.

Dominion Accountants Elect 1934-35 Officers

Thirty-second annual meeting of The Dominion Association of Chartered Accountants was held at the Mount Royal Hotel, Montreal, September 5 to 7, with delegates from all nine provincial institutes present.

The following officers were elected for 1934-35: president: J. Gray Mundie, C.A. Winnipeg; vice-president: Harvey E. Guilfoyle, F.C.A., chairman, finance committee: Alfred B. Shepard, F.C.A., secretary-treasurer: Austin H. Carr, M.A., C.A., chairman, publications committee; Charles S. Eddis, F.C.A., all of Toronto.

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Distillers Corp. Earnings Estimated at $3 Per Share

Net earnings of Distillers Corp.-Seagrams, Ltd., for the year ended July 31, 1934, are estimated by financial men usually well informed about this company at $3 per share. For the calendar year it is expected that the total net earnings will amount to $5 a share.

In an analysis just published of the financial and other information available about this company, Draper, Dobie & Co. intimate that the two American subsidiaries obtained by the company—Joseph E. Seagrams, Inc., formed to acquire a plant at Lawrenceburg, Indiana, and Maryland Distillery, Inc., with a distillery at Relay, Maryland—are rapidly gaining an important place in the United States liquor industry. It points out that the $2,400,000 in cash acquired with the Lawrenceburg plant puts the company in a strong competitive position in the United States.

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TORONTO, SEPTEMBER 15, 1934

NO, NOT "BIG" BUSINESS

THE Sydney Record speaks of The Financial Post as "the frank exponent of what is generally characterized as 'big business'."

The allegation is wrong. Take out the word "big" and put in "honest," "sound," "ethical," or any similar word and we'll plead guilty to the charge.

The Financial Post has never been able to see much merit in mere size in business. It has never seen any social or economic benefit in any kind of business that is not run honestly and with regard for the public and national interest.

GOVERNMENTS "HOG" SAVINGS OF CANADIAN PEOPLE

IT IS hard for the average business man to see how our banks can loan half of their funds to governments and at the same time have ample funds to loan to business. Maybe the theoretical economist could make it clear.

At the annual meeting of the Dominion Association of Chartered Accountants, George C. McDonald, the president, presented some rather startling figures on the degree to which governments have raided the credit resources of the banks. He showed that, of the banks' resources obtained by means of deposits from the Canadian public and by the issuance of bank notes, 51 per cent had been invested by the banks in securities and advances to Canadian governments. But loans to the public represented only 51½ per cent. In other words, at the present time, the banks have loaned about as much to the government as they have to all fields of business.

In 1933, less than nine per cent of these resources of the banks were loaned to governments. Ninety-four per cent of these resources were loaned to the public. The figures do not add up to an even 100 per cent because there are other small sources of loanable funds.

Mr. McDonald pointed out that, what was worst of all, the 50 per cent loaned to governments was not backed up with assets, as is the case of commercial loans, but had been advanced largely to cover deficits.

"The situation is alarming and the public should be made to realize the extent to which their savings are being used to finance government over-expenditure."

There is a slight reduction from last year. This is chiefly because of the reduction in the loans to municipalities. It is explained by the fact that where municipalities have defaulted on their bonds, they have been reducing their bank loans before considering interest to the bondholders.

How much further can the red figures eat into the blue? Mr. McDonald asks. He expresses the fear that unless we very greatly improve the position of our national budget, there won't be any credit left to spoil.

Canada's per capita debt is an appalling figure and is not made any the less by comparing it with the debts of other countries that are in even worse condition than we are. There is only one way that these debts can properly be reduced and that is by reducing expenditures of all classes of governments.

OUR FARMERS' MARKETS IN BRITAIN

CANADIAN exports of agricultural and animal products to the United Kingdom, which last year amounted to more than half of our total exports to that country, are distinctly menaced by the Elliot scheme of developing British agriculture. Increases in the number of meat animals in Great Britain and the acreage of grain and fruit have been regularly followed by greater restrictions on the export of such products from Canada and the other British Dominions ever since the Ottawa agreements in 1932.

Though there is no fear of any repudiation of the treaties there is a very real danger that the quotas may be seriously reduced by application of regulations, such as have already been applied to bacon.

Canada's quota of the United Kingdom bacon market was fixed at 280,000,000 pounds annually by the Ottawa agreements. Hardly had this been done, however, before the British ministry of Agriculture commenced to whittle down the totals by roundabout methods, commonly used by all countries to curtail international trade. A special and rather expensive ribbon stamp was made compulsory on all imported bacon. Last winter the Canadian government, together with those of Australia, and New Zealand, was asked to make an estimate of future shipments of bacon, live cattle and other agricultural products to the United Kingdom. Though Canada's estimate of 100,000,000 lbs. of bacon for 1934 was considerably less than half of the Ottawa quota, already there has been a great deal of criticism because this estimate promises to be exceeded by 25 per cent.

The British government has a new import regulation dealing with bacon and ham from hogs which have suffered, no matter how slightly, from any disease. If put into effect, this will close the United Kingdom market to the meat from over 30 per cent of Canada's hogs. This regulation is not yet in force, but it is believed that it will be used as a threat to keep future Canadian exports down. If pig production continues to expand in Great Britain, further restrictions may be expected. The British bacon market this year, restricted as it is, is estimated to be worth $25,000,000 to Canadian farmers and packers or over 10 per cent of the total value of all our shipments to the United Kingdom.

The general air of uncertainty hanging over the whole British market for Canadian agricultural products has done much to offset the advantages of the Ottawa agreements. Farmers are loath to embark on any long range scheme of hog production, and longer still, of fruit, unless they are more confident that once these products are produced, there will be a profitable outlet for them. Hogs, cattle, apples, dairy products, and even grain cannot be turned out in a few months. Unlike the automobile or washing machine, which goes through the factory in a few hours, a long time elapses from the time the seed is sown or the animal is born before the marketing stage is reached.

The opinion seems to be gaining ground both among farm producers and the packers, millers and dairy companies, who process and export farm goods, that something more permanent than three or five year quotas are needed; something that will not fluctuate with the rise and fall of political parties in either country. The natural solution would seem to be a survey of both the Canadian and the United Kingdom market and a definite exchange of certain commodities. For a quota on those things which Canada can produce better and more cheaply than the Mother country, a definite total of equal value might be given to Britain for such articles that can be more economically produced there.

Lacking such an exchange the Canadian farmer and exporter can only continue to follow the same courses of the last few years in building up moderate exports and trusting to hold the market by constant improvement of the quality of such exports. It is well known that in many of these, notably bacon, our quality still ranks considerably lower than the products of our foreign competitors, especially Denmark and Sweden.

WALL STREET'S LOSS IS CANADA'S GAIN

IN THE first six months of 1934, the transactions on one Canadian market alone—the Toronto Stock Exchange—exceeded by more than 30,000,000 shares the dealings on the New York Stock Exchange," according to Edward Angly writing in a recent issue of Today, the Astor-owned and Moley-edited journal of public affairs.

This revealing disclosure of Canada's swiftly increasing popularity with American investors, takes one back to the early twenties when the Dominion was considered of small importance by financiers below the border. In those days little American money went abroad for the purchase of stocks on foreign boards, and the exchanges in Canada merely reflected, in a miniature fashion, the moves made by the leaders in New York.

But the tide has been changing rapidly of late, and since last January, a number of New York's tickers have been removed from Canadian branch offices in Montreal and Toronto, as the local traders have largely ceased to care for the tidings from Wall Street. There is no doubt that in recent months, since American money has been spilling across the border in substantial sums, that Canadian trading on the New York market has dwindled.

On the other hand, at least a dozen Toronto tickers have been installed recently in various newspaper and brokerage offices in New York. A number of American cities like Buffalo, Detroit, and Rochester are connected on the through wire and get full quotations on Canadian stocks.

While the money involved in the Toronto transactions has probably not been more than one tenth of that which changed hands in New York because of the presence of many "penny stocks" in the total, nevertheless, as stated in the article: "there is no little significance in the fact that, while the New York Stock Exchange, with hundreds of members and millions of potential customers, lolled along with sales of only 213,000,000 shares between New Year's Day and July 1, the Toronto Exchange, with only 113 seats, turned over 241,000,000 shares—a big proportion of these accounts being for citizens of the United States."

Mention is made of the fact that Canada, long ago, supplanted the United States as the world's second largest gold producer, and that the mining industry has not only benefitted from the depression but also from many of the moves made in Washington, London, and other capitals in the name of Recovery. These factors, combined with inflation and Wall Street's alarm over the Securities Exchange Bill, help largely to explain why Canadian stocks have drawn the attention and money of large American operators and average investors.

Evidence is at hand to show that the flow of enquiries about Canadian stocks from across the southern border is increasing. Formerly many of these came from investors located in the adjacent states but at the present time it is said that most of these requests for information are coming from points further west and further south.

HOW MR. STEVENS CAN HELP

MR. STEVENS is not quitting," says the Border Cities Star and perhaps the Star is correct in its forecast.

The Windsor Journal believes that "even if Mr. Stevens and Mr. Sommerville were to retire on a purely voluntary basis, no one would be able to make the voters believe that pressure had not been exerted on them." The Star is quite correct there; Mr. Stevens has indeed put Mr. Bennett on a nasty spot. The forced or voluntary retirement of the chairman and counsel of the Stevens Commission would be misinterpreted by the public.

The Financial Post wishes to clear up one impression that the Border Cities Star leaves about this paper. The Star says:

"It may be correct to say, as The Post does, that the Government faces an awkward dilemma, inasmuch as it hesitates to discharge Mr. Stevens and also doubts the wisdom of retaining him when certain interests are demanding that he go."

The Post has said and repeats that the Government faces an awkward dilemma. But The Post has made no reference to "the wisdom of retaining him when certain interests are demanding that he go."

The reasons that might impel any certain or uncertain "interests" to demand Mr. Stevens's retirement from the Commission do not weigh heavily with us. We have suggested his withdrawal not because we oppose what we believe to be his fundamental objective of bringing a larger degree of social justice into business; but rather because we are with him in that objective and regret that he has, by his utter lack of fairness, his fanatical treatment of the subjects under review, and his indiscreet prejudgments, indicated his utter unfitness to advance the causes of business fair play or social justice through serving as chairman of the Royal Commission.

If Mr. Stevens wants to achieve the reforms he talks about he can achieve them better by a gracious withdrawal at this time than by carrying on.

EXPERIENCE DOES NOT COUNT

ONE by one those members of the Roosevelt entourage who have demonstrated in any way that their economic or fiscal views are based upon a study of past experience, have had their heads chopped off. The late W. H. Woodin, secretary of the treasury, had to go when he counselled caution. James D. Warburg, who was one of the most promising members of the brain trust crowd, was dropped when he expressed some misgivings about the nature of the inflation programme of the president. The latest to go is Lewis Douglas, director of the budget. Although a young man and a western progressive, he held very strange and old-fashioned views. Among them was the idea that a government should spend the taxpayers' money carefully. Obviously such an idea could not be squared with the Roosevelt brand of New Deal.

Roosevelt is coming to be known as much by the people he cannot get along with as by the people he appoints to various positions.

EDITORIAL NOTES

"Alschbach to sink" says headline. Now tell us one that is going to rise.

* * * *

A Conservative-Liberal fusion in Canada would not abolish party government in Canada. It would merely raise the C.C.F. to the status of the second party and the official opposition.

* * * *

Changes in personnel at the parliament buildings Toronto are made daily and with ruthless speed. The firing and hiring looks to the outside observer to be about one third economy and two thirds the "spoils" system. Citizens are thankful for the one third, anyway.

* * * *

Upton Sinclair's campaign for governor of California is to the tune of "End Poverty in California" (EPIC). F. P. A. of the New York Herald-Tribune suggests that his slogan is "Begin Luxury After Hoover" (BLAH). Somebody will win a campaign in Canada some day with the slogan "Better Retrench or Kill Enterprise" (BROKE).

Post-Scripts

JOHN C. KIRKWOOD, of Toronto, tells about a character in an English novel who wanted to get himself sacked from the legal office where he was a solicitor's clerk. Not wishing to be rude, violent or deceitful, or even to appear a rogue, he wrote out a pretentious legal document in blank verse—and was promptly fired to the life of ease which he desired.

This recalls the masterpiece penned by D. H. McDougall, ex-Toronto and Niagara Power Company official, now chairman of the board of English Electric. Mr. McDougall is often called in by banks and bond houses to study the affairs of companies that get into financial difficulties. He has achieved something of a reputation as a corporate diagnostician. He is a member of a club in Toronto that, a while ago, had a little financial problem on its hands. He agreed to look into it and make a report to the annual meeting. When he read his report it was in impressive, well-rounded couplets.

Incidentally, introducing the name of D. H. McDougall gives us a chance to clarify something that has mystified Canadian investors from time to time; namely how it is possible for one man to be in two places at once. The answer is that there are, active in Canadian industry, two men of the name of D. H. McDougall and if the newspapers, when speaking of one of them, were to use his first name instead of simply his initials it would make things much simpler.

Douglas H. McDougall, who lives in Toronto, and has his business address in Toronto, is chairman of the board of the Lake St. John Power and Paper Co., president and chairman of English Electric Co. of Canada, chairman of the board of Marlatt Leather Co., president of the Canadian Crocker-Wheeler Co., director of King Edward Hotel and Willards Chocolates, and secretary of Donlands Properties.

Donald H. McDougall, who lives in Stellarton, N.S., and has his business address in Montreal, is a director of McIntyre Porcupine Mines, Castle Trethewey Mines, Temiskaming Mining, English Electric Co. of Canada, Malagash Salt Co., Mackinnon Steel Co., Morrison Brass Co., Atlantic Sugar Co., Eastern Car Co., and Acadia Coal Co.

Sayings of the Week

"If farms can be so beautiful need factories be so hideous?"—*The Bishop of Southwark.*

* * * *

"If Canadian artists would become great they must remember that nature comes first."—*George Leroux, French painter.*

* * * *

"Cricket wants playing in a little more friendly spirit. It is getting too much of a business."—*Sir Stanley Jackson.*

* * * *

"I should say the last country on earth to have a dictator would be England. It is not sufficiently democratic."—*G. K. Chesterton.*

* * * *

"It is idle to talk about molding the man of the future if we do not know what the man of the present is like."—*Havelock Ellis.*

* * * *

"The 40-hour week is a step toward solving the economic disparity which technical progress has brought about."—*Benito Mussolini.*

* * * *

"My experience is that Jews are no more aggressive in their clannishness and lust for gain than many other races."—*James W. Gerard.*

* * * *

"We are headed toward a day of social consciousness in our business dealings with one another."—*U. S. Secretary of Interior, Harold L. Ickes.*

* * * *

"Strikes are a necessary evil, but like wars they never got anything for anybody—unless it was bloodshed and black eyes."—*General Hugh S. Johnson.*

* * * *

"Very few so-called normal adults have reached the age of more than sixteen or seventeen from a psychological point of view."—*Dr. Elizabeth Sloan Chesser.*

* * * *

"Germany is a charming country but it is becoming the most comfortable and hygienic prison in the world." — *Dorothy Thompson, American writer expelled from Germany.*

* * * *

"I believe that the whole tendency of the modern world is toward inter-dependence and away from independence and isolation between the people of the world."—*Lord Hailsham.*

* * * *

"If it were possible to acclaim with confidence the holiday haunts of England as being free from needless noise, the enticement would be magnetic."—*R. F. Millard, general secretary, the Anti-noise League.*

* * * *

"When the miseries consequent upon the war pass, and as means are found of restoring trade and bettering employment conditions, autocratic government will probably gradually shrivel of its own volition."—*H. L. Stimson.*

New Books

THE PORT AND HARBOR OF TORONTO 1834-1934. Published by the Toronto Harbor Commissioners.

This is an attractive handbook issued by the Toronto Harbor Commissioners in commemoration of the centennial of the city's incorporation. It describes briefly the history of Toronto's water borne trade and the development of the city's harbor which has made an important contribution to the development of the community, especially in its early days.

The latter part of the book is devoted to descriptions of the present harbor facilities and industrial developments under the commissioners' auspices. The whole is liberally illustrated.

PROBLEMS OF THE PACIFIC, 1933. The proceedings of the Pacific Conference of the Institute of Pacific Relations, Banff, Canada, 1933. Edited by Bruno Lasker and W. L. Holland. Published by Oxford University Press, Toronto, at $6.25.

Canada was honored last year by being selected as the scene of the first North American gathering of the Institute of Pacific relations. To Banff, in the Rockies, there came in August leading citizens from Japan, China, United States, Canada, Great Britain, New Zealand, Australia, France, the Netherlands and the Netherlands Indies, the Philippines, and representatives of the League of Nations and other international organizations, to discuss the problems of the mighty Pacific Basin.

These addresses have now been published, together with a summary of the conference proceedings and special economic and political reports drawn up for the members. This is a scholarly and important book.

It is of particular importance to Canadians. The problems of the Far East are the problems of Canada. We are definitely one of the Pacific countries as we are one of the Atlantic countries. The restless turmoil of China and Japan has a bearing on our economic and social future. There is no question of the authority of the participants in the Banff conference. In a beautiful setting, the leaders of thought in the different countries expressed frankly their views, free from the reserve that would have accompanied a conference of governmental representatives. When gathered together in this volume, their views are on record where they can be studied by all who have an interest in Canada's relations to the other countries on the borders of the Pacific Ocean.

PACIFIC NORTHWEST WHEAT PROBLEMS AND THE EXPORT SUBSIDY—Special Study of the Food Research Institute, Sanford University, California. Price $1.

Wheat interests of the Pacific Northwest have been hard hit during the latest depression, as export outlets have shrunk and prices have fallen drastically. Three times in the past four years, federal aid in moving the regional surplus has been accorded. While each has given temporary relief, no lasting solution has been evolved.

A discussion of the problem as it has developed and exists in this area and an analysis of the emergency export operations up to June 30, 1934, are contained in this special study.

It is pointed out that ordinarily two-thirds of the crop or more must be shipped out of the region, in spite of the heavy feed use of wheat within it. Although some parts of this is absorbed in the United States the balance is ordinarily exported overseas. Closing of the export market has created a grave problem.

As Others See Us

Economy In Ontario
Hamilton Herald

It must not be forgotten at any time when criticism is active that the object Mr. Hepburn has in view is not merely necessary but imperative. This is emphasized by The Financial Post which remarks: "If the Premier goes through with his programme he stands a good chance of removing the Province of Ontario much farther back from the brink of insolvency, where it stood before in company with other provinces."

It is of course unfortunate that many officials are being disturbed in the comfortable positions in which they may have quite reasonably supposed themselves secure for life. But there are few businesses in the last five or six years which have not similar examples of distress to exhibit. An economy policy is harsh and unfeeling to those who suffer from it, but this is not to say that it is unjust or inconsiderate so long as economy is the genuine reason for displacing them. It happens at present that economy is essential to the financial security of the province.

Other People's Views

Suppression of Genius
The Globe, Toronto

Sir Josiah Stamp has been warning scientists that rush of new inventions must be curbed or it will wreck the economic order. Surely the world's Governments, which are now regulating everything else, can devise Boards or Commissions of some sort for the Suppression of Inventions.

Sound Retailing
Hardware and Metal

It was rather interesting to read the following remedies to aid in retail selling as outlined in a recent talk by an official of a large Montreal department store. He gave the following suggestions:

"1. Eliminate the loss leader—the weapon of brute force—and make each line return all the reasonable costs of its production and distribution.

"2. Give the consumer facts. The slogans: "We sell for less," "There is no interest," "The Biggest Value can seldom be truthful in a strictly literal sense, but if shouted loudly enough will carry conviction. A definite code of advertising such as that enforced by the New York newspapers, would have no detrimental and many beneficial results.

"3. Educate the customer to realize that when an article is sold at retail for less than its reasonable cost of production and distribution, someone, probably a wage earner, pays the difference. Teach the consumer that if he is to secure desirable goods and services for less money, he must co-operate with the retail man in the elimination of costly and unnecessary services, such as unlimited refunds, exchange, etc.

"4. Enforce reasonable minimum wage laws all through the industry."

It is refreshing indeed to hear a prominent department store executive expound these principles of sound retailing. There is no doubt whatever as to their soundness and if they were generally adopted by the department stores of this country there would be little cause for complaint on the part of independent retailers.

Burnaby's Tax Sale Plan
Vancouver Province

When Burnaby holds its annual tax sale, about the middle of the month some 250 pieces of property which were in serious danger a fortnight ago will not go under the auctioneer's hammer. They have been saved by an arrangement which the commissioner has approved for the working out of taxes. The properties are the homes of Burnaby residents.

The arrangement is a simple one, but effective. Burnaby has quite a lot of municipal work that should be done and has not the money to go on with it. Much of this work, like the cleaning out of ditches and the clearing of overgrown boulevards, requires no expenditure for material. The municipal engineer has estimated the cost of doing this work at standard wages, and residents whose taxes are so far behind that their property is in danger of being taken from them have been invited to undertake pieces of this work at the engineer's figure. When the taxpayer agrees to undertake a section of the work offered, he signs a contract and his property goes off the tax sale list. The man signing the contract does the work at his leisure, or if he is not in a position to do it himself, he gets somebody to do it for him. A number of persons drawing relief in the municipality are said to have made arrangements to work out the taxes of persons physically unable to do the work themselves.

The Burnaby plan has several merits. It provides work. It gets work done that should be done. It saves homes. It keeps property from reverting to a municipality which is already seriously embarrassed by the quantity of property it holds. Other municipalities and even some cities might adopt the plan or some modification of it with profit.

Corporations and the Press
The Beaver, Winnipeg

Many large companies are at constant loggerheads with the press, and the basis of the complaint is usually traceable to some unfortunate error in a news story relating to the annoyed corporation. Of course, there is careless reporting. But the error is more frequently on the side of the company. Too often, when a company is approached by a reporter (who has been sent by an editor) those in authority pull quickly into a defensive shell. The news gatherer is quick to sense an atmosphere of "covering up," and when he has been turned down at the top he turns quickly to the second best news sources, where he gets an unsatisfactory, incorrect story, and no one is pleased.

All large companies are occasionally news sources. Some seek to plant themselves constantly in the news columns, and unless they are extremely skilful, only succeed in wearing out their welcome in newspaper offices. All matter containing their company's name is distrusted by editors as publicity and is subject to sharp censorship. But from time to time companies become news in spite of themselves, even though it is only an annual statement or the obituary of a vice-president. But even such commonplace news as this can be badly fumbled unless the reporter is helped toward accuracy.

Unless the reporter who came asking about the casualty in the factory or the closing of a branch office is given a simple statement of the basic facts (preferably written), it will not likely be a satisfactory account. If it is bad news, the straight simple facts are less harmful than a garbled "rumor story" which the reporter will be compelled to write. Years ago it was the practice of the great transportation companies to fight to suppress accounts of accidents. Time has taught them that memory is short and that it is infinitely better practice to get the brief truth to the papers quickly rather than watch the miserable details be dragged out for days after the accident. The life of a daily paper is only a few minutes in the hands of the average reader. The facts concisely presented for the benefit of a reporter are the best practical assurance of accuracy in the news.

Provincial Guarantees
Winnipeg Free Press

Whether the guaranteeing of provincial bonds by the Dominion would be a desirable permanent policy or not, it would be quite justified in a time of stress like this when the western taxpayers are groaning under their burdens and need any relief that would come from lower interest rates. To obtain this sorely needed assistance, the provinces would doubtless accept some financial supervision from Ottawa. But after the crisis is over, and if there is to be an era of cheaper money in any case, the measure of financial control from Ottawa that would be the condition of a specific guarantee of provincial credit, would become very irksome. It would cover all important capital expenditure and the avoidance of budget deficits.

But, apart from the specific guarantee by the Dominion which might be given in these years of emergency, the important fact which has been brought out, that the Dominion and provincial credit are really linked together and that the Dominion always stands behind the provinces—and must do so for the protection of its own credit—should be of permanent assistance to the provinces in their future borrowing. Although the guarantee may not be written into the bonds, the public policy has been authoritatively stated and there can be no justification in the world for charging any of the provinces high rates of interest.

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Business Conditions in Canada

The Week in Business

Retail Trade Stimulated

COLD weather in the last week of August and the first week of September throughout almost the whole of the Dominion is reported to have stimulated retail trade, good demand being in evidence for autumn lines. Heavy rains delayed harvesting operations, however, and resulted in some damage to crops in the field. The outlook for autumn retail trade is excellent and it is hoped that this field will begin to feel the effects of the great improvement in industry which has characterized the past eighteen months. Although more than a 40 per cent improvement has been recorded in business, retail trade appears to have gained only about 5 per cent.

Carloadings, one of the most important indices of business activity, reached a new high for the year during the last week of August after breaking through the 1931 level during the previous week. Although a large part of the high total for this week can be accounted for by heavy grain loadings, the good gain in merchandise in less than carload lots and miscellaneous loadings indicates a heavier movement of consumer goods.

Postal Gains and Losses

GREATER business activity in Canada has had its effect on postal revenues, gains being recorded in all departments, according to a statement made by Hon. Arthur Sauve, Postmaster-General. There was a gain of $5,000,000 during the past six months in the money-order department; postal revenues increased $900,000 as compared with last year and there has been a gain of more than $100,000 in postal notes issued.

A decline of about $50,000 in Canada's postal revenue is expected as a result of a ruling of the Universal Postal Congress that transit charges be reduced 20 per cent. Transit charges are paid on mail passing through a country from country of origin to destination and Canada has a credit balance of around $250,000 annually through this business.

Would Boost Immigration

WITH the problem of caring for the present unemployed always before the public, the question of boosting immigration has been pushed to the background in Canada during the past few years. In the United Kingdom, however, planners have been active. A British Government committee now proposes a scheme whereby subsidized passages would be provided from the United Kingdom to Canada, the cost to the emigrant being only £10. Cost of the balance of the passage should be shared equally by the British and Canadian Governments, it is proposed.

During the past two years, far from having any volume of immigration, Great Britain has found that there has been a balance of emigrants. During the first six months of 1934, persons entering Britain exceeded the number leaving by 30,719 while the "inward balance" during the first half of the previous year was 39,349. Passengers arriving in Britain during the first half of 1934 exceeded those leaving for Canada or Newfoundland in number by 4,426, while the corresponding inward balance for other parts of the Empire was: Australia, 3,136; New Zealand, 1,304; British South Africa, 4,818; India and Ceylon, 5,672; other British countries, 3,819; while the United States figure was 4,454 and that for other foreign countries 3,008.

Canadian Apples Popular

INCREASING popularity of Canadian apples on the British market is indicated by British trade returns which show that in the first seven months of this year, British imports of fresh apples from Canada amounted to 1,230,365 cwts., an increase of 44.5 per cent over the corresponding period of last year and nearly four times greater than in the same period of 1932. Canada, in the past seven months supplied Great Britain with over 30 per cent of its imports of fresh apples while in the same period of 1932 it provided only seven per cent.

Australia still is Great Britain's main source for imported fresh apples, providing in the past seven months 1,504,040 cwts. This, however, compares with 1,841,125 cwts. in the first seven months of last year and 1,682,679 cwts. in the same period of 1932. The United States share of the British apple market has dropped considerably from 1,650,849 cwts. in the first seven months of 1932 to 740,254 cwts. this year to date.

Automobile Financing Nearly Double 1933

The number of new and used automobiles, trucks and buses financed was 8,348 in July, 10,482 in June and 5,852 in July, 1933, and the amount of financing was $3,618,053 in July, $4,253,549 in June and $2,137,692 in July, 1933.

New vehicles financed numbered 2,776 in July, 3,457 in June and 1,775 in July, 1933, while used vehicles numbered 5,572, 7,025 and 4,077 for the same three months. The amount of financing for new vehicles was $1,913,474, $2,456,095 and $1,145,803, and for used vehicles $1,704,579, $1,797,454 and $991,889 respectively.

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NEW TRUCK SALES VOLUME DOUBLED FIRST SEVEN MOS.

Chevrolet Leads in Eastern Canada — Ford Second

Truck sales in eastern Canada have more than doubled during the first seven months of this year as compared with the same period of 1933, this situation not only being true of the district as a whole but of each of the five provinces. Ontario leads with a gain of 141 per cent, followed by Quebec 114, Nova Scotia 107, New Brunswick 103 and Prince Edward Island 100.

Total sales for the area in the first seven months numbered 6,619 as compared with 2,900 during the same period of 1935, a gain of 128 per cent, according to a compilation of Might's Directories published in Bus and Truck Transport, Toronto. Sales by provinces follow:

Truck Sales by Provinces

	1st 7 Months 1934	1933
Ontario	3,954	1,639
Quebec	1,789	835
Nova Scotia	593	286
New Brunswick	247	122
Prince Edward Island	36	18
Total	6,619	2,900

Chevrolet Leads

Chevrolet leads all other makes with sales of 2,393, although Ford leads in Quebec and Prince Edward Island. Ford takes second place with 2,048 sales, these two makes between them accounting for more than two-thirds of total sales. Other leading makes, in comparison with 1933, are shown below:

Sales of Leading Trucks in Eastern Canada

	1st 7 Months 1934	1933
Chevrolet	2,393	1,129
Ford	2,048	734
Dodge	734	207
International	457	240
G.M.C.	345	236
Reo	159	55
Diamond T	150	57
White	94	11

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Canadian Industries is erecting an addition to its Shawinigan Falls plant to be used for the manufacture of hydrogen peroxide, as reported in The Financial Post last year. The cost is stated to be $250,000.

Samson-United of Canada, subsidiary of a Rochester concern, has commenced manufacture in Toronto of electrical appliances such as coffee percolators, heating pads, table stoves, etc., according to the Toronto Industrial Commission. Stuart Lang of Lang Brothers Specialty Co., Toronto, is general manager.

Taber Canning Co., Taber, Alta., recently opened its plant, the first vegetable canning plant in the district. Approximately 80 men and women are employed, according to the Calgary Albertan.

ONT. REDUCES DUES ON SAWMILL CUT

Reduction Averages About 50 Per Cent — Pulpwood Does Not Benefit

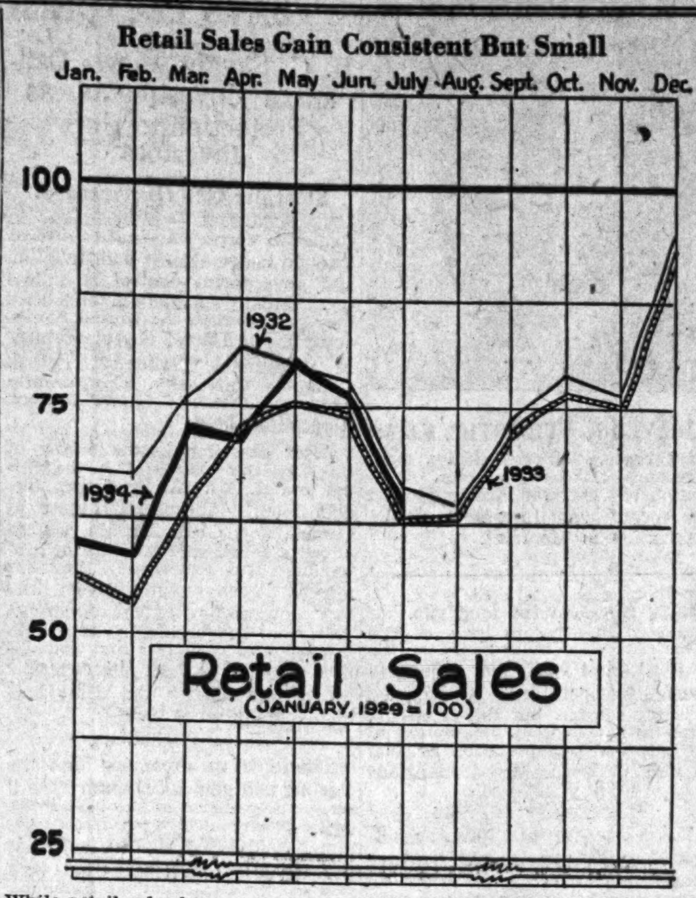
Reduction of about 50 per cent in Crown dues and bonuses has been granted Ontario sawmill operators by the Ontario Government, provided timber cut under the reduced dues is manufactured into finished lumber in Ontario. The reduction applies only to the sawmill trade as distinct from pulpwood production, it was pointed out.

By the terms of the order, which was described as a temporary measure applicable only to the present season's operations, Crown dues are cut 50 per cent on hard woods, and an equal amount on other lumber if the dues are above a certain minimum. This minimum is $5 per thousand feet in the case of red and white pine and $3.50 in the case of jack pine and spruce.

Bonus reductions are also to equal 50 per cent, to become operative above a minimum of $2.50 per thousand feet of jack pine and $3 per thousand feet of red and white pine and spruce. In the hard woods the bonuses are to be regulated by the minister.

Premier Hepburn also announced two general provisions bearing on the industry as a whole, and one designed to provide for the corporations now owing money to the province. Generally each licensee, before getting reductions, must make a survey and offer an estimate of the number of men to be employed. Ground rent and fire protection will continue to fall due at the present rates.

If corporations which now owe money to the province can put up sufficient collateral to cover their debt, they will also be allowed to take advantage of the reduced rates.



While retail sales have, as yet, failed to show the large increase recorded by manufacturing industry, the dollar level during the current year has been consistently above that of 1933. Considerable expansion is necessary, however, before the levels of 1929 are again reached.

Retail Sales Increase Averages 4.8 Per Cent

Hardware Sales Make Largest Gain While Restaurant Sales Decline Slightly from Last Year — Seven Months' Survey

An increase of about 5 per cent in the value of retail sales in the first seven months of 1934 as compared with the same period of 1933 is recorded by the retail sales index of the Dominion Bureau of Statistics. As these indices are not adjusted for price changes, and retail prices have shown a recorded slight rise since last year, this increase does not mean that a greater volume of goods has been handled, however.

While retail sales as a whole, as judged by returns from eleven different types of chain stores, have shown a five per cent increase, this gain varies as between different types of stores with restaurant sales actually showing a slight decline from last year.

Hardware Leads

Hardware chains lead the way with an increase of 21.2 per cent from last year, analysis by The Financial Post reveals. Dyers and cleaners, furniture, music and radio and boots and shoes follow with gains of from 17.7 to 10.7 per cent. Gains of other types, namely general and department stores, candy, groceries and meats, clothing and drugs are below the average for all types. It is interesting to note that sales of general and department stores have gained by exactly the same percentage as all stores.

Seven Months Ended July
Retail Sales Indices, Jan., 1929 — 100

	Aver. 1934	Aver. 1933	% Incr.
Hardware	88.7	73.2	+21.2
Dyers & cleaners	105.8	89.9	+17.7
Furniture	46.7	41.0	+14.0
Music & radio	20.9	18.4	+13.6
Boots & shoes	76.7	69.3	+10.7
Gen. & depart.	63.0	60.1	+4.8
Candy	65.7	63.0	+4.3
Groceries & meats	76.3	73.8	+3.4
Clothing	79.7	77.8	+2.5
Drugs	74.6	73.0	+2.2
Restaurants	56.0	56.2	—0.3
General	69.4	66.2	+4.8

Price Changes Important

While it is impossible to estimate accurately the percentage of gain in price included in the sales gain, it is known that there have been numerous gains in hardware prices and that dyers' and cleaners' charges in many centres have been free from the drastic price war which demoralized the business in 1933. Furniture prices have stiffened although there have been few increases noted. Radio and boot and shoe prices are both slightly above the level in 1933.

The foodstuffs retail price index of the Dominion Bureau of Statistics shows an average gain of 2 per cent during the period under review as compared with the same period of 1933, which would wipe out a large part of the gain.

July sales, as shown by the index published during the past week, are 1.5 per cent above the total for July last year and more than 20 per cent below the June, 1934, figures. Only part of the latter decline can be accounted for by seasonal influences. Changes from July a year ago and from June, 1934, are shown in the following table:

Retail Sales Indices, July, 1934
(Jan. 1929 — 100)

	July	% Change from July, 1933	% Change from June, 1934
Dyers & cleaners	107.3	+30.0	—10.0
Hardware	100.5	+21.6	—7.5
Furniture	40.2	+20.0	—26.0
Music & radio	17.1	+18.7	—9.5
Gen. & department	55.3	+1.5	—21.3
Drugs	72.6	+0.1	—6.6
Groceries & meat	72.0	—0.8	—8.7
Restaurants	57.6	—1.4	—0.7
Boots & shoes	71.6	—2.6	—38.8
Clothing	64.6	—5.1	—36.7
Candy	57.1	—5.2	—2.7

Business Briefs

Failures in the week ended Sept. 1 numbered 9 as compared with 26 in the corresponding week of 1933. Failure for the first eight months of the year at 647 show a decrease of 461 or 41.6 per cent.

Footwear production in July numbered 1,331,966 pairs, a decline of 390,000 pairs from June and 643,000 pairs below the July, 1933, total. Production for the year to date shows a decline of 1.5 per cent.

Canadian Business Indicators

Compiled by The Financial Post

▲Denotes new figures this week.

WEEKLY DATA

	Latest 1934	Latest 1933	Cumulative Total Jan. 1 to date 1934	Cumulative Total Jan. 1 to date 1933
Transportation—				
Car loadings (Sept. 1)	▲52,888	45,546	1,495,696	1,264,145
C.P.R. gross earn. (Sept. 7)	$ ▲2,751,000	$ 2,377,000	$ 81,608,000	$ 71,344,000
C.N.R. gross earn. (Sept. 7)	$ ▲3,194,469	$ 2,949,341	$ 110,075,902	$ 92,676,968
Business Conditions—				
Weekly index D.B.S. (Sept. 1)	▲98.9	88.2	......	......
Business failures (No.) (Sept. 1)	▲9	26	647	1,106

MONTHLY DATA

	Latest 1934	Latest 1933	Cumulative 1934	Cumulative 1933
Business Conditions—				
Financial Post index (July)*	98.6	84.3	......	......
Transportation—				
C.P.R. net earnings (July)	$ 1,511,481	$ 1,368,380	$ 9,565,894	$ 6,229,521
C.N.R. net revenue (July)	$ 688,445	$ 820,466	$ 5,066,986	$ ‡2,158,515
Iron and Steel (July)—				
Pig iron production (tons)	37,306	857	157,827	36,210
Steel ingot prod., (tons)	64,013	31,602	397,502	130,464
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (July)	5,341	4,574	49,220	30,096
Factory output (July)	11,114	5,322	78,198	38,181
Trucks and Buses:				
Domestic sales* (July)	1,107	572	7,671	3,503
Factory output (July)	▲2,707	1,218	17,707	6,621
Exports (July)	▲5,219	1,978	31,506	10,670
Construction—				
Building permits (July)	$ 3,219,086	$ 2,180,403	$ 13,435,928	$ 12,496,402
Contracts awarded (Aug.)	$ 13,543,900	$ 9,479,500	$ 85,651,100	$ 55,043,800
Newsprint (tons)—				
Production (July)	208,238	180,387	1,468,871	1,074,874
Exports (July)	212,845	167,302	1,353,298	974,539
Sugar (lbs.)—				
Melting & shipments§	100,372,675	95,927,975	422,127,749	432,449,942
Manufactured§	95,041,690	88,089,347	411,448,713	425,380,281
Flour (bbls.)—				
Production (July)	▲1,072,747	1,322,928	7,673,418	7,565,308
Wheat flour exports (Aug.)	▲412,089	480,288	3,353,728	3,537,715
Trade (July)—				
Imports	$ 44,144,509	$ 35,698,380	$ 291,534,359	$ 203,619,494
Exports	$ 56,121,112	$ 51,345,011	$ 345,780,173	$ 257,438,948
Wheat exports (bush.)	12,979,231	16,373,532	77,701,271	99,742,109
Employment (Aug. 1) D.B.S. Index—				
All industries	95.2	87.1	......	......
Manufacturing	91.4	85.2	......	......
Electric Power Output (July)—				
Total monthly (000's omitted)	1,621,314	1,442,660	† 11,992,789	9,527,608
Aver. daily	52,300,000	46,537,000	......	......
Other Industrial Indices—				
Lumbering:				
Plank & board exports, mill (July)	140,000	116,179	765,655	373,357
Boot & shoe prod., pr. (July)	▲1,331,966	1,974,867	10,628,963	10,798,759
Crude petrol. imp., gal. (July)	116,883,000	118,271,494	545,173,292	481,537,893
Cotton imports, lbs. (July)	8,281,000	9,790,000	80,904,000	50,556,000
Raw rubber imp., lbs. (July)	5,443,000	2,670,000	38,423,087	18,748,874
Coal imports, tons (July)	1,545,787	1,239,009	6,746,710	5,170,988
Finance—				
Bank debits† (July)	$ 2,767,000	$ 3,527,824	$ 18,209,712	$ 16,723,096
Bond sales (July)	$ 66,477,100	$ 77,499,533	$ 256,250,772	$ 206,785,996
Life insurance sales (July)	$ 33,951,000	$ 33,006,000	$ 223,092,000	$ 224,763,000
Automobile Financing—				
Used cars (July)	$ ▲1,704,579	$ 991,889	$ 8,715,619	$ 6,824,400
New cars (July)	$ ▲1,913,474	$ 1,145,803	$ 11,540,345	$ 6,828,105

†000's omitted. ‡Deficit. §For 4 weeks to August 11.
*D. B. S. All-Canada figure comprising over 90% of the Canadian total. *Final.

B.C. CO-OPERATION IN LABOR PROBLEM ASSURED ONTARIO

Coast Government Thinks Some Form of Codes Inevitable

From Our Own Correspondent

VANCOUVER.—The British Columbia government, which prides itself on having gone farther than most of the provinces in the matter of social and labor legislation, will co-operate with the Ontario administration in its efforts to codify industry.

Members of the B. C. Government regard national conditions in some form to be inevitable, and they are hoping that Ottawa will take steps to provide machinery for giving effect to such a plan. It is thought here that if some national codification is adopted the provinces will be compelled to surrender some of their present rights.

May Surrender Rights

In return for this loss, the provinces should make a demand for further extension of provincial powers in the collection of taxation, provincial authorities here believe. They claim that they cannot solve their financial problem while the present taxation situation continues, for they are always in doubt about the validity of new provincial levies. Definite legislation specifying the extent of provincial powers is needed, and this it is hoped will be cleared up at the interprovincial conference in Ottawa.

Roebuck's Letter

Taking the position that provincial governments must act to regulate hours of labor and wages paid in industry, Attorney-General Roebuck of Ontario recently sent a letter to each province asking that they appoint representatives to meet with Ontario representatives to discuss the question. No place or date for the parley has been proposed.

Mr. Roebuck's letter referred to the exposures of working conditions as a result of the Stevens investigations but expressed the opinion that correction of these abuses was a provincial problem. In part, Mr. Roebuck said:

Provincial Problem

"While something has been gained by the publicity accompanying these exposures, I think you will agree with me that direct action to correct labor abuses lies within the constitutional rights of the province. It is clear that any legislation directly regulating wages or hours or otherwise controlling the relationship between employer and employee must come from the provincial legislatures."

Commodity Prices

SOME slight gain in wheat prices at Winnipeg was the bright spot of commodity markets during the past week. Overseas demand was good and more than offset hedging sales.

Despite reports of a 3,000,000 bale reduction in the world's cotton output this year, cotton prices fell during the week. The whole of the reduction has taken place in the United States, the production estimate of the New York Cotton Exchange Service being down 3,573,000 bales from last year. Increases are indicated in India, China and Brazil.

Hide and leather markets have been particularly weak as slaughtering of drought area cattle continues.

Seasonal advances in eggs, fruits and vegetables featured local commercial markets.

	Latest week	Previous week	Same week last yr.
Cattle, cwt.	$6.00	$6.00	$4.75
Copper, lb.	.09	.09	.09
Cotton, lb.	.1340	.1335	.0885
Rubber, lb.	.1575	.1569	.0650
Sugar, raw, lb.	.0286	.0335	.0361
Silk, lb.	1.15	1.17½	1.85
Wheat (Man.) bu.	.83⅛	.80½	.69¼
Coffee, lb.	.09¾	.09½	.07¼
Hogs	9.50	9.40	7.50
Weekly Indices			
N. Y. Annalist	120.7	120.6	102.9
Fishers'	80.2	79.7	†63.6
N. Y. Journal of Comm.	79.4	79.8	69.4
Crumps (Brit.)	65.4	65.5	†63.4
U. S. Labor	77.5	76.9	76.1
Canada (D.B.S.)	71.8	72.2	....

†Average, 1933.

Monthly Indices

Canada (D.B.S.)	Latest w'sale	Prev. month	Same month last year
Retail (July)	78.4	78.2	76.9
W'sale (July)	72.0	72.1	70.5
U. S. Labor (July)	74.8	74.6	68.9
Gt. Brit. (June)	69.9	69.1	68.6

Note: Indices on all base 1926 — 100, except N. Y. Annalist which is 1913 — 100. British index is Board of Trade converted to 1926 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15. New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W. Pt. A. basis: hides—heavy native steers: coffee—Rio No. 7, spot, New York; hogs—select bacons, Toronto.

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Loadings Reach New High Point Best in 4 Years

After successfully breaking through the 1931 level in the week ended August 25, car loadings continued their high level in the following week rising to the highest point this year. Loadings amounted to 52,888 cars as compared with 48,220 cars in the previous week and 45,546 in the corresponding week of 1934.

Heavy wheat loadings in the western division as farmers move their crops to market are largely responsible for the improved showing. Last year many farmers held off owing to the low prices prevailing. Coal, ore, l.c.l. merchandise and miscellaneous loadings are, however, considerably ahead of a year ago.

Due to the early and heavy wheat loadings, the seasonally adjusted index number took an upward bound, rising to 81.51 as compared with 70.2 in the corresponding week of 1933. The index for the western division was 103.11 as against 78.47 in 1933 and for the east it was 70.58 as compared with 65.99.

"Age is no handicap to it—"

Twenty years ago his brother had appointed him as executor under his will.

But now he was nearing seventy, and to make matters worse, was laid up from a recent fall.

He appreciated his brother's confidence in him but he realized the estate might be difficult to settle should he be called upon to act. It might require more energy and attention than he would be free to give.

So he wrote his brother reluctantly:

"I appreciated the honour, Hugh, but now I am unable to accept. You had better appoint someone else. I suggest a Trust Institution. Age is no handicap to it — quite the reverse."

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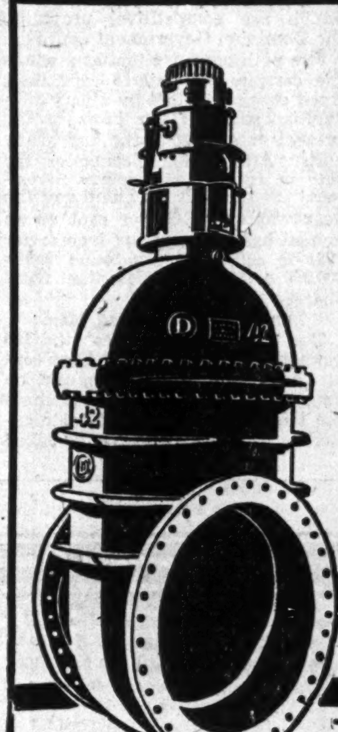
CALGARY WINNIPEG WINDSOR BRANTFORD

Dom. Motors Shareholders Give Approval to Sell

At a recent meeting of the shareholders of the Dominion Motors Limited, approval was given to the directors for the sale of the company's assets.

The company's motor plant at Leaside, Ontario, has not been operating for some time. In the last few months, several buildings of the plant have been rented and a large portion was sold to the Standard Underground Cable Co. of Canada, in August.



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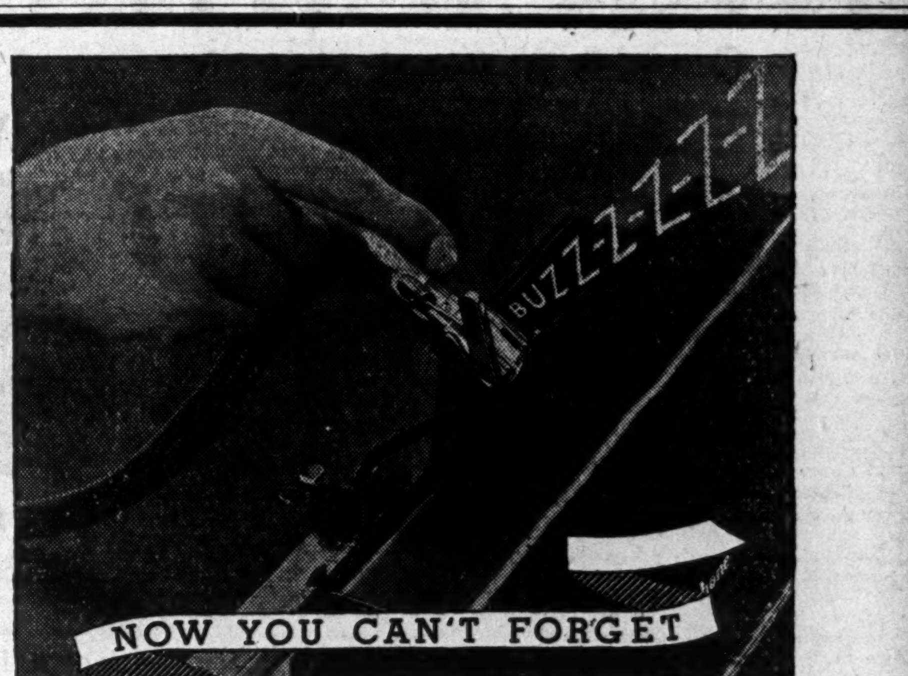

● "I wouldn't own an automobile. I tried one in 1908 and I couldn't make it work." What a ridiculous statement that would be! *Nobody* was making automobiles work in 1908 as they work today.

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Treatment of Railroads Under Roosevelt New Deal Termed Worst Failure

Fear Increased Operating Costs May Force Bankruptcies

INVESTOR WOULD LOSE

Railroads Ask Rate Increases to Help Offset $293 Million Jump in Costs — Oppose Consolidations

By Dr. GAINES T. CARTINHOUR
New York University

NEW YORK.—The current railroad situation in the U.S. is attracting widespread attention because it is one of the weakest parts of the economic structure of the U.S. today, and presents many serious problems. A survey of the New Deal treatment of the carriers may be of interest to Canadian institutional and individual investors as well as others. As a prominent and conservative Wall Street publication says, "among the failures of the New Deal, its record in tackling the railway problems ranks at or near the top." New burdens have been put on American railroads when they can ill afford them.,

Latest statements indicate many roads are earning only a fraction of that earned during the corresponding period last year. Maintenance expenditures have been cut down of necessity, many employees dropped, and a large number furloughed. The number dropped would be greater but there is a provision in the Railroad Act of 1933 prohibiting cutting employment under the May, 1933, figure. It is feared in well-informed quarters that unless costs are reduced and business improves a number of important railway systems will be forced to undergo reorganization.

Seven Billion Disappear

It is estimated that about $7,000,000,000 of railroad stock values has been wiped out during the past four years. Very few roads are still paying any dividends. The situation has reached a point where senior bondholders, including savings banks, commercial banks, insurance companies—particularly the life insurance group, large estates heavily invested in rail securities, and other rail investors are seriously worried.

Not only would institutional and individual investors lose heavily, but also the Reconstruction Finance Corporation and the Public Works Authority, which have advanced substantial sums to the carriers. About $400,000,000 has been advanced by the R.F.C. and $200,000,000 by the P.W.A. The former has been used to meet interest charges and maturing debts, and the latter to finance various construction projects.

New President

J. GRAY MUNDIE, C.A.

Of Winnipeg, who was elected president of The Dominion Association of Chartered Accountants at the annual meeting of the association held in Montreal last week.

Rate Increases Asked

In the most urgent plea ever made, the Class I railroads of the U.S.—those doing a business of $1,000,000 or more a year—have petitioned the Interstate Commerce Commission for increases in freight rates. Hearings will get under way October 1, and a ruling some time this fall is likely. If the request is granted, it is estimated revenues may increase $170,000,000, and thus partially offset the $293,000,000 increase in annual operating expenses forced upon the railroads by the New Deal. Canadian carriers have indicated a willingness to raise their rates on runs which are competitive, providing the Dominion Government approves.

The petition states that as a whole the carriers will fail to earn their fixed charges in 1934 by a very substantial sum, on the basis of the present volume of traffic and heavy costs. After drastic economies, the rate of return on property investment for the first six months of the year was only 2.09 per cent on an annual basis. Operating income for 1934 is estimated at around $463,000,000 or $53,000,000 less than fixed charges of $516,000,000.

Long Hauls Increased Most

The proposed increases per 100 pounds are between 1 and 4 per cent on short hauls, and 10 per cent on long hauls. On the former, where the buses are the bane of their existence, the roads have only asked for small increases. Shippers, particularly in the Western States, have stated they will resist increases and a bitter fight is expected.

The Interstate Commerce Commission will have to decide whether the proposed increases are just and reasonable, according to law. Former Section 15A of the Interstate Commerce Act, providing for a fair return on the investment, has been repealed, and the I.C.C. now operates under a more flexible provision which requires it to give more nearly equal weight to the economic status of shippers as well as carriers. This gives the commission wider discretion. In view of the current status of the carriers, it is generally expected there will be an increase in rates, but some doubt as to what will be done with agricultural products.

Labor Costs Higher

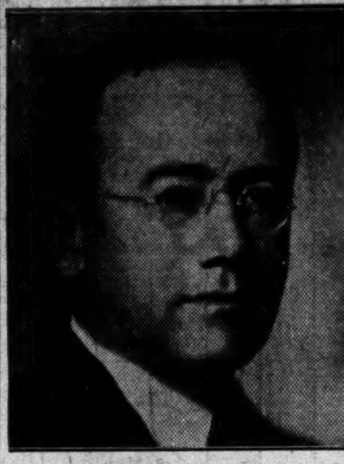
Higher labor costs have been due to the gradual restoration of the 10 per cent wage reduction, the last 2½ per cent or $20,500,000 of which went into effect on July 1. The pension plan, which has been severely criticized, requires initially a uniform annual assessment of 4 per cent of the total wage bill of the roads and a 2 per cent contribution by employees. The expenses of this measure will be about $60,000,000 the first year but will gradually increase until it reaches a total of about $300,000,000. Many carriers have had their own pension funds, but this new federal compulsory plan carries heavier costs and in many cases the added costs will be more than the roads have been earning. The constitutionality of the law is being vigorously contested.

Some economists believe Congress will amend this measure during the next session. It is subject to many criticisms and is one of the first steps toward the administration's broad programme of social insurance. The carriers failed to meet fixed charges in 1933 without the pension charge or the big annual increase in wages. What then will probably happen to them this year with these additional burdens on their shoulders and the cost of materials substantially higher? Considerable importance has been attached in Wall Street to a recent article by Professor Raymond Moley, close advisor to the President, urging that something be done by the administration to assist the railroads.

Two Chief Problems

Railroad executives in the U.S. believe their two main problems are to get higher freight rates and legislation to control competition from buses and water carriers. The Reyburn Bill, providing for the latter, was proposed during the last session of Congress but failed to receive the necessary consideration. An increase in rates would probably result in at least a temporary increase in carloadings shortly after the official I.C.C. announcement in order to escape the more severe levies, but business conditions and other factors would be the determining forces in the long run. As discussed in a recent issue of The Financial Post, the loss of traffic to trucks has been met in part in Canada by operating a pick-up and delivery service, but this is only a temporary expedient. Regulation of all forms of transportation as soon as possible is considered advisable.

Vice-president



HARVEY E. GUILFOYLE, F.C.A.

Of Toronto, who was elected vice-president of The Dominion Association of Chartered Accountants at the recent annual meeting of the association in Montreal.

To Form Central Body

To look out for their interests railroad managements in the U.S. are considering the formation of a strong central organization, very much like the institute in the iron and steel industry. More aggressiveness would help to improve the service of the carriers and regain lost business, as has been indicated in the case of several roads during the past two years. The Federal Co-ordinator would like to see additional economies which he believes can be secured by pooling freight cars and eliminating waste because of empty car haulage.

In view of the general situation, there has been talk in the financial community of Government ownership of the railroads. Some commentators think the rate increase petition will stimulate popular agitation along this line. Fortunately, President Roosevelt is said to oppose the desire of Mr. Eastman to have the carriers owned by the Government. Such a step would probably result in inefficiency, heavy losses and the same serious problems which faced private railroad managements after Government operation during the World War.

Some Drought Business

The effect of the drought on Western roads may be less than expected in view of heavy cattle shipments, and movement of wheat due to higher prices. The Canadian National and Canadian Pacific systems will benefit from the exports of hay from the Dominion. According to the latest report, the first administration order of Canadian hay will aggregate at least $10,000,000. Additional purchases will be made if the hay is available. Western and Mid-Western roads in the U.S. will also benefit from the rehauls of this fodder from the Detroit and Chicago terminals to drought regions. These carriers refused to continue the emergency rates, which expired September 4, that reduced freight costs on hay 50 per cent, grains and mixed feeds 33 1/3 per cent, and water 50 per cent.

It is significant that in so far as employment and wage scales are concerned the railroads are not operating under a code. An effort has been made by labor union leaders to compel railroad executives to draw up a code and employ additional men. President Roosevelt has expressed the opinion that such a code should be set up, but to date none has been submitted. Evidently this is due to the Railway Labor Act, the provisions of which were preserved in the Emergency Railroad Transportation Act of 1933.

As indicated above, the carriers are confronted with rising costs for the materials and products they utilize and consume. This is due, of course, to the increase in unit costs incident to higher wages under N.R.A. codes in the railroad supplying industries.

Consolidation Opposed

Consolidation is frequently mentioned as an effective way of placing the railroad structure on a stable basis, but opponents of this plan are fully as vociferous as its proponents. In the history of American railroad development, dating back more than a century, the unification of properties in one way or another has played an important rôle. Some of the major roads in the U.S. have moved to bring about a closer alignment of their already controlled properties, but the way of consolidation on a broad scale has been impeded by ponderous legal and financial difficulties. As is well known, there is a strong movement in Canada under the leadership of E. W. Beatty, chairman and president of the Canadian Pacific Railway, in favor of amalgamation of railway services.

The latest interesting proposal in the U.S. comprises unification under one management of all the Eastern railroads with the object of reducing expenses and competition. Earnings would be apportioned according to the income of each road as averaged over a period of years. Existing corporate entities would be maintained. Theoretically the plan is satisfactory but from a practical standpoint there are many objections. Labor, certain railroad interests, and the Federal Co-ordinator strongly oppose any broad consolidations.

The physical and financial rehabilitation of the U.S. railroads is a paramount necessity. Next to agriculture, and before their present dilapidated state, they normally constituted the largest single factor in the economic life of the U.S., usually buying annually approximately 25 per cent of the coal, 20 per cent of the fuel oil, 35 per cent of the steel castings, 20 per cent of the lumber, 8 per cent of the cement, and 20 per cent of the total iron and steel production. They were the largest consumers of fuel and forest products, and as consumers of steel normally ranked not far below the building and automobile industries.

CANDN. EQUITIES INFLATION HEDGE SAYS LECTURER

B. C. Savant Views Canadian Investments as Protection to U. S. Investors

From Our Own Correspondent

VANCOUVER — Investment in Canadian corporate equities affords a sound hedge against both inflation and government control of industry, mutually conflicting tendencies now prevalent in the United States, according to Harold E. Aul, lecturer in investment finance at British Columbia University, who recently addressed the B. C. Bond Dealers' Association here.

After describing some effects of the Roosevelt "new deal" in the United States, Mr. Aul said that foreign securities, especially those of Canada and Great Britain, should afford a substantial measure of protection to American investors against losses resulting from further depreciation of the American dollar on the one hand, and a rigid limitation of corporate and speculative profits through bureaucratic control of industry and rising taxation on the other hand.

Exchange Policies

"There is no assurance that the sterling and gold bloc countries will allow their currencies to follow the dollar in any further precipitous decline," said Mr. Aul. "In fact, it is reasonable to anticipate that they will combine to resist the influence.

"Canada, without benefit of economic planning and without resort to extensive government control over industry, has realized far greater recovery from depression levels than has the United States."

After quoting figures to show how business in Canada has advanced to a much greater extent proportionately than that of the United States, Mr. Aul pointed out that Canada's employment index also stood above that of the United States in spite of the great efforts of the Roosevelt administration to spread work through the N.R.A. Canadian exports in June this year were equal to 58 per cent of the 1929 average, as compared with 39 per cent for the United States.

Budget Comparison

"In contrast with a budget deficit in the United States that is soaring to astronomical figures, Canada has made steady progress toward budgetary equilibrium over the past three years," said Mr. Aul. "From March, 1933, to March, 1934, the gross debt of the United States increased 22.4 per cent against an increase of only 3.4 per cent in the gross debt of Canada.

"There is, of course, no justification for the belief that Canada can entirely escape the influence of American experiments in economic planning. In fact, this is apparent in some of the measures already adopted, such as the Marketing Act, and the prevailing political agitation for reform of financial and corporate practices. But the essentially conservative character of its people, its strong states rights doctrine and the generous measure of recovery already experienced give assurance that political penetration of industry will not proceed to the point of constituting a serious threat to capital."

SWEEZEY AT COAST SEEKS SULPHIDE SITE

Contemplates Mill Either in Eastern Canada or British Columbia

From Our Own Correspondent

VANCOUVER — R. O. Sweezey, Montreal financier, has been on the Pacific coast during the last few weeks investigating the possibilities of establishing a sulphide pulp mill whose product would be used in the manufacture of rayon and fine paper. Such a plant would be the first of its kind, to be established in British Columbia.

Mr. Sweezey said that the interests which he represents contemplate the establishment of a mill either in Eastern Canada or in British Columbia. His present object is to find out how the factors prevailing here compare with those in the East. The pulp would probably be shipped to the British Isles, which are at present largely dependent on Scandinavian countries.

Availability of tidewater facilities is one big advantage that a mill in British Columbia would have. The chief disadvantages would be the long distance from the market and the fact that British Columbia does not possess any easily accessible source of spruce, which would have to provide about 90 per cent of the raw material.

Walkerville Brewery Sales Gain in Ontario

Gross sales since July 24 of Walkerville Brewery, Ltd., have greatly exceeded expectations of the management, states H. D. Radner, president, in a letter to shareholders at the end of August. July 24 was the date when the new Ontario laws with regard to distribution and sale of beer went into effect. There have been since then unavoidable delays in the granting of licenses and equipment of beverage rooms but in spite of these the industry as a whole and this company in particular are doing much better under the new legislation.

Dividend action before the end of the year is dependent on "reasonable continued improvement in sale of the company's products," and the management hopes for this.

Sales of Fanny Farmer Up 25 Per Cent Over 1933

Fanny Farmer Candy Shops Inc., sales for August, 1934, were 25 per cent higher than for the corresponding month in 1933, it is reported. Sales for the first eight months of the present calendar year are understood to show an even higher rate of increase.

Notwithstanding unfavorable conditions in the Middle West owing to the drought, gains have been registered in every section of the United States this year as compared with 1933.

The Heart Disease Paradox

In this country more cases of heart disease are being prevented each year—yet more deaths are charged to the heart than ever before.

DESPITE seeming contradiction, those are the facts. Better protection of children against diseases which are often followed by heart trouble means that fewer young hearts are being exposed to injury. Better treatment of hearts temporarily damaged by the "poisons" of acute infections often prevents such damage from becoming permanent. Better control of venereal and other diseases that damage hearts has been another factor in reducing the deathrate from heart disease at all ages up to 45 years.

* * * * *

You can help to prevent heart disease in your home by having your children immunized against diphtheria and by protecting them, so far as possible, against other heart damaging diseases, such as sore throats, repeated colds, acute rheumatic fever, scarlet fever, measles and typhoid fever.

Should they have any of these diseases, see that your doctor's orders are strictly obeyed, so that injured hearts may not result. Follow his instructions as to how long the child is to be kept in bed. Rest is an important part of the treatment for "poisoned" hearts during and following any acute infection.

Annual health examinations offer a further opportunity to control heart disease. In middle-aged people the disease may result from chronic or focal infections in teeth, tonsils, sinuses or in other parts of the body.

When advisable, your doctor may employ the fluoroscope and electrocardiograph to determine the condition of your heart. He can see whether or not it is showing the effects of wear and tear long before it actually breaks down. If necessary, your doctor will advise changes in habits of work and rest, food and drink, or the correction of impairments.

Far from being cause for alarm, the mounting deathrate from heart disease at the older ages is encouraging evidence that needless deaths in childhood, youth and middle age are being prevented. Many of the deaths of older people ascribed to heart disease are really due to heart failure—just the natural, peaceful ending of a long life.

* * * * *

More than half the readers of this page, who are about 35 years old, will pass the age of 70; and one out of five will outlive fourscore years. Many a man is adding years to his life and is enjoying what is literally a new lease of life by taking care of his heart and by making intelligent changes in his living habits.

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Godfather of Bank of Canada Explains How It Should Work

Deputy Minister of Finance Sees Bank of Canada Act as Most Important Statute Since Confederation

By W. C. CLARK

Deputy Minister of Finance, Ottawa, Address Before the Dominion Association of Chartered Accountants

I regard the Bank of Canada Act as the most important piece of legislation placed on our statute books in many a year, perhaps since Confederation, and I regard it as of vital importance that there should be a clear understanding on the part of the Canadian public as to the nature of this new piece of financial mechanism and the functions which it will be called upon to perform. Central banks, like governments, can never be much in advance of public opinion. If our Bank of Canada is to be a real success we must have a well-informed and intelligent public opinion on monetary and banking matters, a public opinion that will allow the bank to play the role it is designed to play and will not expect it to end the depression overnight or work miracles.

What Central Bank Is

What, then, is a central bank? Perhaps we can answer this question more easily by pointing out at the start what it is not. In the first place, it is clear that the word "central" has no geographical connotation, in spite of the old lady in Ottawa who was delighted to find that a central bank was going to be established which would make it unnecessary for her to go all the way down town to make a deposit. In the second place, it is not going to be just another commercial bank, competing with our ten existing chartered banks. Certainly we do not need another bank to take care of our ordinary commercial banking business; Canada is already equipped more lavishly with sound and efficient banking facilities of the ordinary type than most other countries in the world. The Bank of Canada will not make loans to nor accept deposits from the public, in fact it will not normally deal directly with the public at all. Its clients will be only the Dominion and provincial governments, the chartered and savings banks, except on those occasions when the bank, for reasons to be mentioned later, is engaging in open market operations.

Finally, the Bank of Canada, I am afraid, is not going to meet the wishes of those who hope to see an institution dispensing government credit in unlimited amounts at little or no cost to all and sundry. That conception does not underlie the basis upon which it is set up nor the powers which are given to it.

Functions of Bank

If, then, our new central bank is not to be just a conveniently located institution, nor an ordinary commercial bank, nor a Government "Lady Bountiful," what, we may ask, are to be its nature and its functions? Briefly stated, it is intended as primarily an instrument of control. Its functions are to be chiefly, though not entirely regulative. In the past we in Canada have depended entirely on passive legislative measures and the unco-ordinated action of competing private institutions as our means of regulating the currency and credit system. The Dominion Notes Act and the Finance Act have set forth the conditions under which government paper money might be issued. The Bank Act has defined the limits within which the chartered banks might put their notes into circulation. On the other hand, in regard to the extent to which bank credit in the form of bank deposits might be created, responsibility has rested directly with the banks themselves.

No legal requirements as to the proportion of cash reserves to deposit liabilities have been imposed. (On the question of reserves the Bank Act is silent except for the provision that of whatever reserves the bank do keep, at least forty per cent must be kept in the form of Dominion notes). As probably about ninety per cent of our business transactions are effected by means of cheques drawn against bank deposits, it is obvious that the determination of the volume of our effective means of exchange (our "money" in the broadest sense of that term) has been predominantly in the hands of our ten unco-ordinated private banking institutions and a result of their lending and investing policies applied under the given set of business conditions.

Admiration of Banks

I yield to no man in my deep admiration for the excellent job which our banks have done in the performance of their ordinary functions of commercial banking — the acceptance of public deposits for safekeeping, the lending of funds and getting them back, the provision of short-term capital for Canadian industry, etc. Amid the strain and stress of this unprecedented depression, and while the banking system of a great neighboring country was tottering to apparent ruin, our banking system has continued the efficient performance of its normal tasks and has always, and rightly so, commanded the entire confidence of the Canadian public. This achievement is beyond all praise and I wish to emphasize that what I am saying here is not in any sense a criticism of the banks. It is directed against a weakness in our financial system considered as a whole, the absence of an essential link in the chain. If anyone deserves criticism it is the public and Parliament for not recognizing and repairing the omission at an earlier stage, but even here I am not critical because I realize that the very excellence of our commercial banking system made it easy to overlook the limitation of our financial system as a whole, and I sympathize strongly with those who are reluctant to disturb without due cause the working of a financial structure which has reasonably stood the test of time.

Clearly, however, the public interest now demands something more from its financial system than the performance of ordinary commercial banking functions. It is obvious that under a competitive system where the main object of private finance is, and must be, to make profits, it is not enough to leave the determination of the country's total volume of credit instruments—of purchasing power—to the automatic working of competitive business forces. There is, on the contrary, vital need of some institution which, while co-operating with the private banks, will have particular regard for the welfare of the community at large. Here we see the place of the central bank. Its chief purpose, therefore, is to vitalize into active operation the principle of control both in regard to the issue of paper money and the creation of deposit credits. By means of its control over the total volume of our circulating media of exchange, the Bank of Canada should thus be an important factor in influencing not only the general level of prices but also the general tempo of business activity in our country. That is why the Bank of Canada Act in its preamble assigns to the bank as one of its objectives the mitigation of "fluctuations in the general level of production, trade, prices and employment, so far as may be possible within the scope of monetary action."

All this implies, of course, as you will have noted, that bank loans do create deposits, that the volume of circulating credit bears a very close relation to the lending activity of banks, and that the general level of prices is naturally related to the total volume of credit outstanding. Into the intricacies of these theoretical questions I will not take time to enter this evening, but I do wish to make this single comment that while some bankers incorrectly deny that bank loans give rise to deposits, some of their critics are equally far from the truth in refusing to recognize the very definite limitations to which loan-deposit creation can be carried.

Three Means of Control

Now you have a right to ask just in what way it will be possible for the Bank of Canada to control the total volume of currency and credit and consequently to influence the general tempo of business. Time will permit only the briefest possible mention of the traditional weapons of control that are at the disposal of any central bank. The most important of these are (1) the manipulation of the rediscount rate; (2) open-market operations; and (3) exhortation and advice.

You are probably most familiar with the first of these devices. Under a central banking system, the private or member banks are normally dependent on the central banks for emergency funds or for the surplus funds required in financing heavy seasonal requirements, or the later stages of a period of business expansion. As the banks require to expand their cash reserves to take care of these requirements, they borrow from the central bank by selling to it or rediscounting with it high-grade securities or commercial bills defined by the act as eligible for central bank investment. It is obvious that by raising the rate of rediscount charged for such accommodation the central bank would be able to discourage borrowing by the member banks and, conversely, by lowering the rate to encourage it. It would be interesting to discuss the limitations to the effectiveness of this device of interest rate manipulation, particularly in Canada where we have not a developed money market with a highly sensitive structure of interest rates as in London and New York, and where our operations in Montreal and Toronto would not be influenced so greatly as they would be by contemporaneous conditions and policies in the New York money market.

Effectiveness of Weapons

But these questions need not detain us here. We may point out, however, that a definite raising of the central bank rate would have an important psychological effect on the market and this psychological effect, coupled with advice and admonition on the part of the central bank should give the latter a very considerable leverage, particularly in preventing a speculative boom from going to inordinate lengths.

You can see, however, that the effectiveness of the third weapon of control depends very largely on the prestige and influence of the officials of the bank. With this in mind I think we can safely say that the appointment of Graham Towers, a Canadian, a banker of demonstrated competence and thorough knowledge of Canadian banking, and a man with a thorough grasp of economic principles as well as broad public sympathies—that Mr. Towers' appointment as governor is a happy augury for the future success of the Bank of Canada.

Open Market Dealings

Let us come now to open market operations which I find are perhaps the least well-understood of all the devious operations which central bankers are supposed to engage in. The nature and purpose of these operations are really very simple, though the application of them in practice requires the most mature judgment and the soundest possible understanding of the general economic situation. Let us assume that we are in a period of depression and that the central bank has decided that it is sound policy to endeavor to stimulate expansion. It may then buy in the open market government securities and commercial bills of certain classes and maturities defined in the act.

Let us suppose that the central bank buys $10,000,000 of Dominion of Canada short-term bonds. The brokers or dealers or individuals from whom they are purchased will receive in payment cheques drawn on the central bank. These cheques they will deposit in their own banks and of course the banks will eventually find that their balances with the central bank have increased. These balances at the central bank are the equivalent of cash and the banks thus find themselves with more than their usual proportion of cash reserve to their deposits and note liabilities outstanding, and are in a position to grant further loans to customers or otherwise to create additional credit. Since banks as a rule maintain a cash reserve of, say, 8 to 10 per cent of their demand liabilities, they are actually able, if they so desire, to increase their notes and deposits outstanding by ten or more times the amount of new cash created by the central bank. Conversely, you will readily see that if the central bank desires to "put the brakes on" a tendency to over-expansion of business and speculative activity, it may reverse the process by selling securities out of its own portfolio, thus reducing in the first instance the deposit balances of the buyers of the securities and eventually the balances of the member banks with the central bank. This operation is familiarly known as "mopping up credit in the market."

This will give you a highly simplified view of some of the methods by which the central bank may endeavor to carry out its most important public function of controlling the total volume of currency and credit in the country. Some of the limitations on what may be expected from the central bank by way of such control will be emphasized at a later stage.

Subsidiary Functions

We may now consider briefly a number of subsidiary functions—for the most part they involve operations contributory to the carrying out of the main purpose of the bank.

For instance, it is said that one of the main functions of a central bank is to issue legal tender paper currency. At present, as you know, both the government and the chartered banks issue paper money, the former in the form of Dominion notes which are merely the government's promises to pay, and the latter in the form of bank notes issued against the general assets of the bank and limited in amount normally to the bank's paid-up capital, but subject to expansion through the use of the central gold reserves and in the crop-moving season. The Bank of Canada Act provides for the gradual reduction (to 25 per cent of the amount of the paid-up capital at the end of ten years) and eventual extinction of the right of note issue of the chartered banks. Thus in future the right of note issue which is usually regarded as a prerogative of government will be taken out of the field of private finance and placed in the hands of a "quasi-public" institution set up solely to perform important public functions. Among other advantages, this unification of the note issue will contribute to that control of the money market by the central bank which we have already discussed.

Gold Reserve Policy

In the second place, it is said that an important function of a central bank is to maintain and centralize the gold reserves of a country. In the past our monetary gold reserves have been held, in part by the Department of Finance and in part by the ten competing, private chartered banks, and the control of these reserves was thus subject to a divided responsibility. Apparently neither the department nor the banks felt themselves solely responsible for their adequacy. When responsibility is divided, no one is responsible and no one can be blamed for mistakes. On the day on which the Bank of Canada commences operations the Minister of Finance will turn over to the bank all gold (and silver) then held against Dominion note issue, and similarly the chartered banks will deposit in the central bank all the gold which they now hold against their total outstanding public liabilities. For the first time in our history, therefore, the total stocks of monetary gold in Canada will be concentrated in a single vault in the charge of a single institution vested with sole responsibility for determining what reserve is adequate and how it shall be used. It is apparent that such mobilization should make for a more efficient and more economical use of our reserves, as well as providing that unification of control which is essential to the maintenance of sound credit conditions and also of the integrity of our monetary standard.

Exchange Rates

This brings us to another function of a central bank which is referred to in the preamble of the Bank of Canada Act as the protection and control of "the external value of the national monetary unit." In pre-war days and in the period from July 1, 1926 to some rather nebulous point of time before September 19, 1931, Canada was officially on the gold standard. The essence of a gold standard is that as a result of the free exchange of gold for notes and of notes for gold, and of the unrestricted import and export of gold, a country's internal price structure is kept in harmony with the world price structure and its currency remains at par (fluctuating only within the gold points) in the foreign exchange markets. Thus, under the automatic pre-war gold standard, the Department of Finance exchanged Dominion notes for gold, and gold for notes.

The Finance Act

When Canada returned to the gold standard in 1926 the Finance Act which, though a wartime expedient, had been made a permanent part of our financial system in 1923, was in operation. As you know, this act enabled the chartered banks to secure legal tender Dominion notes by depositing approved securities with the Minister of Finance. In other words, it provided an instrument for increasing the cash reserves of the chartered banks, the credit base in Canada. But as the act did not require gold reserves to be held against the Dominion notes so issued to the banks, it was possible to meet, for instance, a deficit in Canada's balance of payments without taking the necessary steps to correct the conditions which had made such deficit possible. As we have just seen, under the normal functioning of the gold standard a deficit in our balance of payments would have given rise to an outflow of gold and a consequent restriction of credit and a deflation of prices and incomes within the country.

Introduction of the Finance Act, providing easy mechanism for increasing "ad lib" the credit base of the country without any corresponding expansion in gold reserves, literally "threw a monkey wrench" into the normal workings of the gold standard and the automatic corrective processes which it sets in motion. The result was seen several times in the period from 1926 to 1931, and particularly during 1929 when the Canadian dollar depreciated in the foreign exchanges to the extent of one or two per cent, without gold flowing out to correct the situation. If, as, and when we return to a gold standard in Canada, it will be the function of the central bank to protect and defend the external value of our Canadian monetary unit, that is to say, prevent its depreciation or appreciation beyond the limits of the so-called gold points.

A fourth subsidiary function of a central bank to which I wish to refer briefly is that of adviser to governments. The Bank of Canada will be equipped with highly competent personnel and with adequate facilities to secure the widest possible information in regard to financial and economic conditions in this and other countries. Its day to day contacts with financial and business organizations should give it a grasp of conditions not now possible to any government department or to any private institution. It should be able to build for itself a research staff perhaps unequalled in this country, able to keep it in closest touch with developing economic trends. Not only should its personnel be competent, it should equally be disinterested, for the bank is being set up as a non-profit-making institution with its shareholders limited to four and one half per cent cumulative dividends on their capital, a return only slightly better than could be obtained by government borrowing of the funds, and with its officers specifically charged with the performance solely of important public duties. The bank is to act as fiscal agent of the Dominion Government and we in the department of Finance anticipate that its advice and assistance will be extremely valuable to us.

Value to Dominion

It is probable that the bank can be of even greater assistance to provincial governments for some of whom at least it is more difficult to maintain close and continuing contact with investment markets and financial conditions generally. The bank is permitted by the act to make short-term loans under certain restrictions to provincial governments, and it is to be expected that as a result of the working out of these short-term lending operations the bank may come to be relied upon as a valuable source of expert and impartial advice in regard to the time at which to go to the public markets, the type of offering which should be made and the wisdom of financial policies generally. It is conceivable that in this way there may be evolved by advice and suggestion a better co-ordination of domestic and external borrowings which some commentators would like to secure by means of other institutions exercising mandatory powers.

Many Limitations

Now I fear that the simplified outline of the nature and working of a central bank which I have given may leave you with an incomplete realization of its powers and may lead you to false expectations as to what it may be able to accomplish. At the outset of this address I pointed out that it was important that the public should expect neither too little nor too much from its central bank. I wish now to emphasize as strongly as I can that there are very definite limitations to the power of a central bank to accomplish fully the objectives which have been set before it.

These limitations find their origin in several factors.

In the first place it should be realized that central banks are run by men and, as long as human nature remains fallible, central bank executives may err in their diagnosis of a pathological business condition and in their prescription of a particular remedy. Furthermore, it must be remembered that central banking technique is a relatively recent development. While some of the traditional weapons have been used for a long time, sometimes gropingly, by a few of the great central banks of the world, it is only since the war that the full arsenal of weapons has been developed, that substantial experimental use has been made of some of them, that adequate statistical information has been available for their intelligent application, that a substantial literature has arisen discussing the merits and limitations of particular expedients and policies, and that any measure of co-operation between central banks in working out their common problems has been thought necessary. Needless to say, much remains to be learned.

Non-Monetary Factors

In the second place a very important difficulty arises because of the non-monetary factors which are, at least in part, responsible for the rhythmic swings of business activity and the rises and falls in the general level of commodity prices. I know of no economic problem which is more the subject of hot controversy among economists than that of the relative importance of, and the causal relations between, the monetary and the non-monetary factors in the business cycle. It would seem apparent that where an unsound business condition is due solely or primarily to non-monetary factors, it might not be subject to effective treatment by purely monetary methods.

Can't Operate Alone

The final limitation to which I wish to refer arises from the fact that in these days no country lives unto itself alone. Particularly in the case of Canada, so heavily interested in foreign trade and with our securities held so heavily abroad, domestic conditions are bound to be substantially affected by current developments in other important countries. If then a particular business disturbance is primarily the result of international factors, it is idle to expect that it can be cured by purely domestic policies. This means co-operation (without by any means surrendering any degree of autonomy or independence) with the central banks of other countries, but to achieve an intelligent and continuous co-operation of this type involves difficulties of very formidable proportions.

I have stressed these limitations and these difficulties because I believe profoundly that a successfully functioning central bank implies an intelligent understanding on the part of the public of the possibilities for good inherent in such an institution, and also of the difficulties it must surmount in order measurably to accomplish its objectives. But while the obstacles are great and must be fully recognized, the urgency of the task and the vital necessity of some measure of accomplishment constitute a challenge to central banks throughout the world.

First Governor of Central Bank

—Drawn for The Financial Post by Charles Comfort.

GRAHAM FORD TOWERS

Appointed last week to be the first governor of the Bank of Canada, the Dominion's infant central bank, Mr. Towers, pictured above by Charles Comfort, is believed to be the world's youngest central bank head. He is 37 years of age and will hold office for seven years.

Canada's Graham Ford Towers Is Youngest Central Bank Head

Dominion's No. 1 Banker Says "Canada First" Will Be Aim of Bank of Canada's Policies

By JOHN E. LANGDON

While definitely regarded as one who could fill an executive post with the Bank of Canada, the appointment of 37-year-old Graham Ford Towers, B.A., as Governor of Canada's new central bank, created surprise as well as deep satisfaction. The surprise was because of the youthfulness of the man, for he is one of the youngest senior banking executives in the Dominion. Slight, bright-eyed, natty, Mr. Towers is all mental alertness tempered with experience. He will be governor for seven years.

The announcement of his selection as head of the new institution has drawn many favorable remarks. Bankers and business men are particularly keen about the appointment and his youthfulness has come in for much comment. Graham Towers is undoubtedly young, but in experience, knowledge and ability he is far older than his years.

Official Commendation

An important comment was that of the Hon. E. N. Rhodes, who said his appointment as governor may seem dazzling, but his future with the Royal Bank was no less dazzling. Neither is this overstating the case, for Graham Towers' progress was directed toward being head of one of the Dominion's largest chartered banks.

W. C. Clark, the Dominion's learned Deputy Minister of Finance, has added his praise of Mr. Towers to that of Mr. Rhodes in these words: "I think we can safely say that the appointment of Graham Towers—a Canadian, a banker of demonstrated competence and thorough knowledge of Canadian banking, and a man with a thorough grasp of economic principles as well as broad public sympathies—that Mr. Towers' appointment as governor is a happy augury for the future success of the Bank of Canada."

One Who Has "Arrived"

Graham Towers is one of those who have long born the appellation of a "coming young man." It would be more accurate to say that he "arrived" some time ago. The position of assistant general manager of the Royal Bank of Canada is only given to men who have won their spurs, no matter how promising they may be.

Law Gives to Banking

Here is the background of one who for the next seven years at least will have a determining voice in Canada's monetary and allied policies. He was born in Montreal in 1897 and after serving three years in the Canadian Army Service Corps, Mr. Towers majored in economics at McGill University. His intention had been to practice law, but progress in the legal profession is slow. While uncertain of his vocation, changes occurred in other quarters which were to determine his future. The Royal Bank of Canada had lost its economist. In looking about for a new man, officials of the bank consulted Stephen Leacock, McGill's Professor of Political Economy. Without hesitation he recommended Graham Towers, then only 23 years old, and in 1920 the bank placed him on its payroll as economist.

Displayed Business Ability

For better than two years he filled this position. His ability as a banker was so evident that he was sent to Havana in 1922 as cashier of the bank's branch.

"We made no mistake in attaching him to the business end of banking," says one of the officials, who has known him ever since he entered the bank's service. "He did not disappoint us. Not only did he show aptitude for his new work, but during the year in Havana he learned to speak Spanish fluently. In addition he had a good command of French."

Rise Has Been Rapid

He was appointed assistant inspector of Cuban branches just one year later and in 1924 returned to head office as foreign inspector. In this capacity he visited the branches of the bank in the West Indies, Central and South America, London, New York, Paris and Barcelona. The last five years he has spent in Canada. He was appointed chief inspector in 1929, two years later became assistant to the general manager and since November of last year has been assistant general manager.

Reticent About Himself

Little would be known about the new governor of the Bank of Canada aside from biographical notes, if one had to depend on him alone for details. Others who know, and have known him, are more communicative.

Dr. D. Bruce Macdonald, headmaster at St. Andrew's College, which Mr. Towers attended before it moved from Toronto to Aurora, Ont., says: "He was brilliant in his languages, French, English and Latin, and was good in mathematics, but no marvel. In his last year he won the general proficiency prize, the lieutenant-governor's medal and the Wyld prize for Latin; he always got over 90 per cent in that." In this lies the explanation of Mr. Towers' facility in learning Spanish when in Havana for the Royal Bank of Canada.

Associates' Views

Mr. Towers' associates do not hesitate to enlarge on those qualities which have placed him in the position of Canada's No. 1 Banker.

To those who know him casually, Mr. Towers may seem too reserved. As his friends know, this impression is not justified. He is a most likeable fellow. Since the beginning of his banking days he has had to associate with people much older than himself. This, coupled with a respect for the opinions of his seniors, has encased him with a shy deference.

Abilities Are Undoubted

The new governor is one of the few university men in commercial banking. Of his mental equipment there is no doubt. He has a thorough grasp of practical banking and an expert knowledge of economics and finance. He has an amazing ability to get at the heart of things. Associates tell of him taking a page of figures as long as his arm and finding flaws in a few minutes study, where others would take hours. Further, he is credited with making few mistakes.

Few bank officials get through as much work in a day as does Mr. Towers. As one friend says "he is a hound for work." On the very day of his appointment as governor, Mr. Towers was already deeply immersed in affairs of the new bank. However, he had time and seemed eager to discuss his new work when seen.

Going to Paris

"I have already severed my connection with the Royal Bank of Canada and this week am sailing for Paris where I will enquire into banking affairs."

"Will you visit London or the other European centres?" he was asked. Mr. Towers thought that he might have time for London, but nowhere else this trip.

"At this infant stage of the central bank's life, matters of personnel and organization are uppermost," said Mr. Towers. "Policies and kindred matters will come later. In general, however, the Bank of Canada will exchange information with other central banks."

The Bank's Policy

"The policy of the Bank of Canada," he continued, "will be primarily with an eye to what is best for Canada."

"Already the Bank of Canada has the nucleus of an organization. The offices of the Assistant Receivers-General of Canada, located in the more important cities, will become branches of the central bank. There remains the setting up of a head office and the bank will have the necessary machinery to carry on its functions as a central institution."

These functions are many and varied, but wil consist chiefly of the following:

1. To regulate internal credit.
2. To regulate foreign exchange.
3. To mitigate fluctuations in the level of production, trade, employment and prices as far as may be possible within the scope of monetary action.
4. To give expert and impartial advice to the government of the day.

Favors Central Bank

Mr. Towers is "sold" on the idea of a central bank for Canada. He says he always has been. In this opinion he differs from many other Canadian bank executives; but not from his former chief, Morris Wilson, general manager of the Royal Bank. It will be remembered that Mr. Wilson was alone among the general managers of Canadian chartered banks in approving the creation of the proposed central bank early in 1933.

But the bank of Canada will not do anything spectacular. It won't create Utopia, Mr. Towers has warned. In this warning he joins his voice with those of many other financial leaders of Canada who have feared extravagant expectations of the bank on the part of the public. Nevertheless he feels that the manner in which Canada's currency policy merely "drifted," after the gold standard was suspended in many countries in 1931, is clear indication of the need for a central banking authority to direct national monetary policy.

Ability to Speak

Outside of banking and financial circles, Mr. Towers is not exactly a "public figure." He has not had time to make frequent public appearances, so that to many he is a name only.

But he has one great asset which is rare among bankers—that of being able to speak in public and the ability to impress his listeners. Though not a frequent platform speaker, he has developed this talent to a point where it will be of great value to him in future.

"I have never heard him speak publicly," said one of his associates, "but I recall a story which leaves no doubt as to his ability. I was in Vancouver four years after Mr. Towers had been there and had talked to a group of business men. He could not have been more than 25 or 26 years of age then. In spite of the lapse of time, I was agreeably surprised to have men who heard him quote parts of his speech. Evidently he left an indelible impression on his audience."

No Time For Hobbies

It is always interesting to get behind the scenes in the lives of busy and important people and to discover what they do with their leisure hours. Here is one who has had exceptionally few hours for play. He has no hobbies. He is only faintly addicted to golfing at the Mount Bruno Country Club. The same holds true for badminton which he plays at the Cliffside Badminton Club, Montreal.

As the boy, so the man. Dr. Macdonald of St. Andrew's College has pointed out that Graham Towers was not the athlete type at school. It is as true today as it was 20 years ago.

Mr. Towers has an airedale, Teddy. He allows him in the house. Psychologists would interpret this as indicative of his liberal outlook on life.

Only a few weeks ago Mr. Towers moved from Mount Stephen Ave., Westmount, to a hillside house on Rosemount Crescent. Now he is moving to Ottawa, via Europe. The significance of this is that Mr. Towers had little warning of his new post and that the job sought the man, rather than the man the job.

Henceforth, Mr. Towers will be more in the public eye than he has ever been before. The policies that he will initiate as governor of the Bank of Canada will have an important bearing on the prosperity and development of the Dominion. In their own interests, and in the broader public interests, Canadians wish him bon voyage.

SMALL PROGRESS MADE IN SOLVING CATTLE PROBLEM

Arrangements to Process About 20 Per Cent Drought Victims

From Our Own Correspondent

OTTAWA.—The cattle situation, which was believed close to agreement last week, remains largely unsolved. At least 125,000 head of cattle must be lifted out of western drought areas before the first heavy frost or they will starve to death. The animals are in desperately poor condition and could not be shipped to market in the ordinary course of trade because they would not bring sufficient money to pay the rail charges.

Japanese Outlet Small

The proposal which was practically agreed to last week was that the animals should be slaughtered by the packers at cost and the products exported, chiefly to Japan, in the form of low grade, boneless, frozen beef. But later enquiries revealed that the Japanese market, already being supplied in growing volume from Manchuria, is not nearly large enough to take this meat and the original difficulty of finding a market still remains.

Some Progress

Hon. Robert Weir, Federal minister of agriculture announced this week that the railways have agreed to give a reduction in freight rates on the shipment of these cattle to the packing plants and on the finished product from the packing plants to the consumer or seaboard. He also stated that from 20,000 to 25,000 cattle would be turned into tankage for hog and poultry feed as soon as possible. This tankage, which is a dried, powdery material averaging about 100 pounds per 600 pound animal, it is hoped, will find fairly ready sale in United States where stock feed is scarce. Packers are reported to have offered to carry out the processing at a low rate.

Discussions regarding the remaining 100,000 cattle are still proceeding, it is understood, but no solution, satisfactory to all parties has yet been reached.

So far as these animals are concerned, it is impossible to send them north to feeding grounds because the cost of doing so would far exceed any value they are likely to ever have. Likewise to ship feed in to them would be an indefensible waste of money at present prices. From a purely commercial point of view it is agreed that some 150,000 head of cattle should be shot on the farms and buried, but it is admitted that politically this course is not possible. Until winter weather closes the pasturage season the bulk of the animals can get enough local grass to keep them alive but toward the end of next month, with no stored feed available the situation is expected to be acute.

Apple Plant Busy

The product of the Simms Dehydrating Company's plant at Berwick, N.S., will be known as apple flakes.

CENTURY BREWING RECORDS PROGRESS

Associated Holds Large Interest in American Property

From Our Own Correspondent

MONTREAL. — Figures of sales and profits of Century Brewing Association of Seattle, in which Associated Breweries of Canada, Limited, is largely interested, have recently been submitted to the shareholders.

The statement shows that the number of barrels sold has expanded from 1,859 in January to 10,003 in July, and that the value of sales has increased month by month from an initial amount of $35,296 in January to $184,220 in July. Net profit, after depreciation and income taxes, is reported at $22,945 in July, as compared to a net loss in January of $11,035 (due partly to organization expenses), while for the seven months from January to July, inclusive, a net profit of $74,392 is shown.

The statement is signed by W. H. Mackie, secretary-treasurer, who further reports as follows:

"The month of August is again showing a very satisfactory increase over the month of July. The sales in August will exceed those of the previous month by approximately 1,000 barrels.

"Net profits of Olympia Brewing Co., in which your company has a large interest, exceed $100,000 for the period January 1 to July 31, 1934."

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad. $1.75. Add five words when box number is required. Classified ads payable in advance.

Business Wanted

FIRM WITH LONG AND SUCCESSFUL manufacturing and selling experience is in a position to add a new line capable of national and export development. Will invest in or buy outright; preferably in old established business of high repute where owners are thinking of retiring. Address in confidence. Box 222, The Financial Post.

Capital Wanted

GOLD MINE, NOW OPERATING, WITH small mill, and complete mining equipment, and now starting to produce, can make very attractive offer to party or group who can furnish approximately ten to fifteen thousand dollars required to complete programme. Will stand strictest investigation. Box 40, The Financial Post, Toronto.

Wanted French Furniture and Decorations

ADVERTISER IS OPEN TO PURCHASE antique or very fine reproductions of French commodes with carved bronze mountings; also bureau, mirrors and decorations. Box 42, The Financial Post, Toronto.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 29th September, 1934, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Monday, the 1st day of October, 1934, to shareholders of record of the 20th September, 1934.

By Order of the Board.

DUDLEY DAWSON,
General Manager.

Toronto, 16th August, 1934.

Canada Permanent Mortgage Corporation

Quarterly Dividend

Notice is hereby given that a Dividend of TWO PER CENT for the current quarter, being at the rate of

EIGHT PER CENT PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

MONDAY, THE FIRST DAY OF OCTOBER

next, to Shareholders of record at the close of business on the Fifteenth day of September, 1934.

By order of the Board.

WALTER F. WATKINS,
Secretary.

Toronto, August 22nd, 1934.

Western Grocers Limited

Notice of Dividend

A dividend of one and three quarters per cent (1¾%) on the Preference Stock of Western Grocers Limited has been declared for the quarter ending September 30th, 1934, payable October 15th, 1934, to shareholders of record September 20th, 1934.

By order of the Board.

W. P. RILEY,
President.

Winnipeg, September 5th, 1934.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a Dividend of Three per cent., upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st October, 1934,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
Walter Gillespie,
Manager.

The Whittall Can Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of one and five-eighths per cent (1⅝%), being at the rate of six and one-half per cent (6½%) per annum, on the Cumulative (Redeemable) Preferred Stock of the Company, has been declared, payable October 1st, 1934, to shareholders of record September 15th, 1934.

By Order of the Board.

D. H. MACFARLANE,
Secretary-Treasurer.

Montreal, September 6th, 1934.

SUPERTEST Petroleum Corporation Limited

NOTICE OF DIVIDENDS

"A" Preferred

A quarterly dividend at the rate of 7% per annum on the Class "A" Preferred Stock of this Corporation for the quarter ending September 30th, 1934, has been declared; payable October 1st, 1934, to shareholders on record at the close of business September 14th, 1934.

"B" Preferred

A quarterly dividend at the rate of 6% per annum on the Class "B" Preferred Stock of this Corporation for the quarter ending September 30th, 1934, has been declared; payable October 1st, 1934, to shareholders on record at the close of business on September 14th, 1934.

Common and Ordinary Shares

The Board of Directors has declared a quarterly dividend of .25c per share on the Common and Ordinary Stock of this Corporation for the quarter ending September 30th, 1934, payable October 1st, 1934, to shareholders on record at the close of business on September 14th, 1934.

Share Warrants

Share Warrant holders will present coupons, serial number 29, to the Canadian Bank of Commerce, London, Ontario, and branches in Ontario and Quebec, on and after October 1st, 1934, where payment will be made at par.

By Order of the Board,
JAMES D. GOOD,
Secretary-Treasurer.

London, Ontario, September 5th, 1934.

DIVIDEND NOTICES

Ottawa Light Heat and Power Company, Limited

Quarterly dividends as follows, are payable 1st October, 1934, to Shareholders of record 15th September, 1934:

PREFERRED STOCK: 1⅝%, (being at the rate of 6½% per annum.)

COMMON STOCK: 1½%, (being at the rate of 6% per annum.)

The transfer books will not be closed.

By Order.
F. W. FEE,
Secretary.

OTTAWA, 10th September, 1934.

THRIFT STORES LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared by Thrift Stores Limited:

One and Five-eighths per cent (1⅝%) on the 6½% FIRST CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES, and

One and Three-quarters per cent (1¾%) on the SECOND CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES, and

Ten Cents per share on the COMMON SHARES OF NO PAR VALUE.

The above Dividends are for the quarter ending September 30th, 1934, payable October 1st, 1934, to Shareholders of record September 15th, 1934.

By order of the Board of Directors.

THOS. F. MUNDY,
Secretary-Treasurer.

Montreal, Sept. 7th, 1934.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Common Dividend No. 21

NOTICE is hereby given that a Dividend of 25c. per share being at the rate of $1.00 per annum, has been declared on the no par value Common Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending September 30th, 1934, payable October 25th, 1934, to shareholders of record at the close of business on September 29th, 1934.

By order of the Board.

L. C. HASKELL, Secretary.

Montreal, August 28th, 1934.

POWER CORPORATION OF CANADA LIMITED

Preferred Dividend No. 37

NOTICE is hereby given that a dividend of 1½% (being at the rate of 6% per annum) has been declared on the 6% Cumulative Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending September 30th, 1934, payable October 15th, 1934, to shareholders of record at the close of business, September 29th, 1934.

By order of the Board,
L. C. HASKELL, Secretary.

Montreal, August 24th, 1934.

United Grain Growers Limited

A dividend at the rate of four per cent has been declared on the paid-up capital stock of United Grain Growers Limited, for the financial year ending July 31st, 1934.

Cheques will be mailed on September 15, 1934, to shareholders of record at the close of business, July 31st.

By order of the Board of Directors.

R. S. LAW,
President.

Winnipeg, Manitoba,
August 24th, 1934.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 25

NOTICE is hereby given that a dividend of Thirty-eight cents (38c.) per Share on Class "A" Shares of no par value has been declared for the three months ending September 30th, 1934, payable to Shareholders as of record on that date (less 5% Dominion of Canada tax in the case of non-residents of Canada) by the Montreal Trust Company Montreal, Canada, on October 15, 1934.

By Order of the Board,
ERNEST ROGERS,
Secretary.

Vancouver, B.C.
September 7, 1934.

The British American Oil Company Limited

DIVIDEND NOTICE

NOTICE is hereby given that the regular dividend of Twenty Cents (20c) per share has been declared on the issued No Par Value capital stock of the Company for the third quarter ending September 30th, 1934. The above dividend is payable in Canadian funds, October 1st, 1934, to shareholders of record at the close of business on the 15th day of September, 1934. Transfer books will be closed at the close of business September 15th, and will remain closed until the opening of business October 1st, 1934.

Share Warrant Holders will present Coupons Serial No. 18 to the Royal Bank of Canada, Toronto, Ontario, or the Royal Bank of Canada, Montreal, Quebec, on or after October 1st, 1934.

By Order of the Board.

P. W. BINNS,
Secretary.

Dated at Toronto, September 7th, 1934.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 30th day of September, 1934.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 30th day of September, 1934.

The above Dividends are payable on Monday, the 1st day of October, 1934, to Shareholders of record at the close of business Saturday, the 15th day of September, 1934.

By Order of the Board.

MERVYN OFFER,
Secretary.

Montreal, 4th September, 1934.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Preferred Dividend No. 27

NOTICE IS HEREBY GIVEN that a Dividend of $1.50 per share, being at the rate of 6 per cent. per annum, has been declared on the 6 per cent. Cumulative Preferred Stock of McColl-Frontenac Oil Company, Limited, for the Quarter ending September 29, 1934, payable October 15, 1934, to Shareholders of record at the close of business on September 29, 1934.

By Order of the Board,
FRED HUNT,
Secretary.

August 30, 1934.

Wheat

Market Tone Better

WINNIPEG. — Although price changes in the wheat market have lately covered no great range, there seem to be indications of a somewhat better tone, with ability to take care of large sales by farmers. Wheat deliveries continue to be made at a heavy rate in the country, and the great bulk of deliveries are being sold by farmers as rapidly as possible. This does not necessarily mean that later some farmers may not prove to be fairly strong holders of wheat, in fact in northern districts where crops are reasonably heavy, and where threshing has also been late, a capacity may be disclosed for keeping wheat in store either in elevators or on farms.

The owners of much of the wheat already delivered, much of which has come from the area of small crops, have for the most part been in urgent need of immediate cash, and the crops of many of them have been under seizure for repayment of relief advances and other debts. Also, prevailing prices have been reasonably satisfactory to farmers especially in contrast with prices prevailing during the past crop season, and many farmers appear to feel that it is better to avoid the risk of a later drop in price than to hold in the hope of a rise.

* * *

New Buying Appears

A FAIRLY substantial quantity of new buying seems lately to have come into the market, sufficient to take care of much of the new wheat delivered and sold. Somewhat less has lately been heard of supporting buying by the government agency, and although there is a feeling that a good deal of such buying was in progress for a time, it is believed that the government agency has during the past few months managed to make a material reduction in the total extent of its holdings.

An actual advance in the price of cash wheat and the October option, accompanied by some weaknesses in late months, is believed to be connected with extensive switching of hedges from October to December and to May. That process is understood to have been completed to a large extent by elevator companies holding wheat, and also by the government agency which would be on the other end of hedging transactions to a large volume.

* * *

U. S. Millers' Purchases

PURCHASES of both cash wheat and futures continue to be made by United States millers. So far as Durum wheat is concerned, this is for use within the United States, either to serve for seed or for manufacture of macaroni products, and the full American duty is apparently being paid. The other grades are going in bond, presumably to be milled for export from the United States. That country's mills can hardly compete with Canadian mills in the British trade, owing to the fact that their flour is subject to duty, while Canadian flour is admitted free, but they can do some business with a limited number of countries. It is interesting that such purchases are being made largely for the account of Minneapolis mills, whereas Buffalo was formerly the principal centre for milling in bond business. But the failure of the spring wheat crop in the northwestern states left the Minneapolis mills without usual supplies of such wheat.

* * *

Good Barley Market

BARLEY growers, especially those who have managed to produce 6-rowed barley of good malting quality, are finding an excellent market. Such barley, on a per bushel basis is practically the same price per bushel, but pound for pound it is worth nearly 25 per cent more. The bulk of such barley is being malted by Canadian malting companies, but a certain percentage of the unprocessed grain is crossing the border to United States malting plants.

* * *

Future Appears Quiet

WITH world wheat trade proceeding on a limited basis, in spite of the general belief that it may shortly have to be expanded to meet the needs of importing countries, any great immediate stimulus to the general market seems unlikely, although as the season advances a gradually improving situation is strongly expected by many observers. If anything should occur to hamper the development of the new Argentine crop, it would be regarded as a strong bullish factor, but the outlook now is for a reasonably good crop, although one somewhat smaller than the heavy one of last year. Australian reports continue to stress the unfavorable position of the growing wheat crop, due to drought, and grasshoppers are now mentioned as an increasing menace, but perhaps conditions there have already been fully discounted.

Bakers Discard Plans for Industrial Code

Canadian bakers have discarded plans for a code on advice from Ottawa that any attempt to fix prices is against the laws of the Dominion. Considerable work had been done on drawing up a standard code but it was felt that the basis for any fair competition scheme must be price maintenance.

Bakers are pleased, however, over the action of the government in lifting of the sales tax in response to their appeals. Bakers will continue with a plea for relief from the chain store competition, it is stated.

Peace River Harvesting Excellent Wheat Crop

Peace River district is harvesting an excellent crop, this area having missed the heavy frost which damaged yields in Alberta in the last week in August, it is reported. A crop of about 20,000,000 bu. is expected from this area.

Frost damage was greatest around Edmonton but extended from Athabaska as far south as Calgary. In the southern sections less damage was done owing to the fact that the bulk of the crop was harvested.

Grain and Milling in Canada

MAN. AND ALBERTA GRAIN PRODUCTION ABOVE LAST YEAR

Total Canadian Crop Up 7 Million Bushels, D.B.S. Estimates

Canada's wheat crop this year is slightly larger than that harvested in 1933, the Prairie crop being about 14,000,000 bushels greater while that from other areas is approximately 7,000,000 bushels less, according to the preliminary estimate of the Dominion Bureau of Statistics issued Sept. 11. The Prairie crop is set at 265,000,000, exactly the same estimate as made by the W. Sanford Evans Statistical Service, Winnipeg, at the end of August.

Estimates for Manitoba and Alberta are greater than those of last year while the Saskatchewan yield is estimated at 9,600,000 bushels below the 1933 level. Total Canadian crop is estimated at 277,304,000 bushels as compared with 269,729,000 bushels in 1933 and an average of 341 million bushels for the five-year period 1929-33 inclusive.

Yields Below Average

The extremely small winter wheat crop in Ontario accounts for the reduction in crop in Canada other than the Prairie Provinces.

The average yield of wheat per acre in Alberta is estimated at 15.5 bushels, in Manitoba at 13.8 bushels and in Saskatchewan at 8.6 bushels. These yields are substantially below average and the yield per acre in Saskatchewan is only slightly more than one half of the long-time average.

Comparison of the Dominion Bureau of Statistics' 1934 and 1933 estimates and the Sanford Evans' 1934 estimate appears in the following table:

	Prelim. D.B.S. 1934 Estimate 000 bu.	Final D.B.S. 1933 Estimate 000 bu.	Sanford Evans 1934 Estimate 000 bu.
Man.	34,800	32,500	35,000
Sask.	114,200	123,841	115,000
Alta.	116,000	94,500	115,000
Total, Prairies	265,000	250,841	265,000
All Canada	277,304	269,729	......

Condition figures for late-sown crops indicate a larger production than in 1933 but below-average yields. The condition of pastures in Canada is extremely poor and lower than at the same time last year.

This year's estimate of production of all grains as compared with 1933 is shown in the following table:

Yield of All Grain Crops in Canada
D.B.S. Estimate

	Prelim. 1934 bu.	Final 1933 bu.
Fall wheat	7,022,000	14,031,000
Spring wheat	270,282,000	255,698,000
All wheat	277,304,000	269,729,000
Oats	344,746,000	307,478,000
Barley	68,800,000	63,359,000
Rye	6,523,000	4,327,000
Flaxseed	1,096,000	632,000

Use Russian Thistle In Drought Feed Mixture

From Our Own Correspondent

REGINA.—One weed has proved to be of good feeding value in South Saskatchewan drought areas. It is Russian Thistle and mixed with a little wheat straw, hay or coarse grains, enables cattle to winter in fair condition.

Hundreds of farmers are allowing it to grow along with their poor wheat or other grain crops, then the whole is harvested for feed. The thistle is a drought-resistant growth, is an annual and spiny member of the goosefoot family. While it flourishes during dry seasons it practically disappears when moisture is normal. The thistle is a laxative so usually is mixed with a non-laxative feed. Its prickly spikes are softened with water 12 hours before feeding time.

Considerable interest in a booklet on Russian Thistle published by the Dominion Agricultural Credit Co., Ltd., has been shown by state agricultural colleges in United States dry areas. Requests for copies have been received by H. O. Powell, the general manager.

Wallace Sandstone Records Loss Last Year

From Our Own Correspondent

MONTREAL.—Wallace Sandstone Quarries experienced an operating deficit in the year ended May 31, 1934, after deducting all charges and crediting interest from securities held, according to the annual statement signed by William Lyall, president of the company. This deficit amounted to $43,262. An amount of $29,874 was transferred to reserve for depreciation and depletion, leaving a net deficit of $73,137, the surplus now being $29,062.

In commenting upon operations last year, Mr. Lyall told the shareholders that the result reflected an unprecedented condition of stagnation in the building industry. However, as the Federal Government has definitely started their building programme, the directors feel that the worst of the depression is over.

Dominion Coal Co. Benefits Through Rebate

From Our Own Correspondent

MONTREAL.—Dominion Coal Co., controlled by Dominion Steel and Coal Corp., stands to benefit substantially by the action of the Dominion Government in renewing the Order-in-Council making it necessary to use Canadian coal in the manufacture of coke in order to receive the drawback on bituminous coal imported for that purpose.

The Order-in-Council, which was recently renewed, reimposes the 99 per cent drawback on bituminous coal for coking purposes, providing the manufacturers use 35 per cent Canadian coal.

Canadian Celanese Cuts Dividend Arrears

From Our Own Correspondent

MONTREAL. — Directors of Canadian Celanese Ltd. announce the declaration of the regular quarterly dividend on its preferred stock, as well as 75 per cent a share on account of arrears, thus reducing the latter to $24 a share.

No announcement was made regarding financing plans for the Bonaventure pulp plant or proposals looking toward the complete elimination of arrears of dividends on the preferred stock.

Says Australian Wheat Being Produced at Loss

British Trade Commissioner Thinks Over-expansion Chief Domestic Problem — Explains Government Subsidy Plans

The Australian wheat industry is being operated at a loss at present prices and much of the wheat farming is being carried on only by virtue of the financial assistance given in recent years by the government, according to a special report on economic and trade conditions in Australia made by R. W. Dalton, Senior British Trade Commissioner to the Commonwealth. The report is published by the Department of Overseas Trade at London and contains a detailed review of business and financial conditions in the country up to the end of 1933.

While admitting that difficulties of the Australian wheat industry are partly a result of world conditions, Mr. Dalton says that purely local influences have played a very important part. Thus, high world prices immediately preceding the depression encouraged the extension of wheat farming to land which hitherto had been considered suitable only for sheep grazing. Much of this land changed hands at a valuation so high that even at the then high price of wheat it is only just capable of giving a return to the farmer. Some of this land was purchased outright but for the larger part of it only a deposit was paid, the balance of the purchase price being secured by a mortgage with subsequent installments having either not been paid or only partly paid when the price of wheat began to slump.

Improper Land Used

"Those who have the knowledge which entitles them to speak on this subject," says Mr. Dalton "are quite emphatic in their views that a considerable percentage of the wheat farmers in Australia are farming land that nature never intended for wheat and that in addition to this, many of these farmers paid for their land a price which is quite disproportionate to its value for wheat—even at much higher wheat values than now prevail or are likely to prevail in normal times.

"These farmers have been enabled to continue to grow wheat only by virtue of the financial assistance which has been given to them and at the expense of the country as a whole.

Detriment to Agriculture

"For this reason, there has been much opposition from other wheat farmers as well as from other quarters to the continuance of a practice which serves to perpetuate the production of wheat on so-called marginal land. It is contended that this practice has operated detrimentally to the interests of those farmers who could produce wheat at a profit, at reasonable prices on land which is suitable for such cultivation.

"Various estimates have been made from time to time as to the average cost of growing wheat in Australia. In the boom period, estimates as high as 5s. 7d. per bushel were made. On the other hand, some wheat farmers who are operating efficiently on suitable wheat land maintain that they could not produce satisfactorily for a price of 2s. 6d. per bushel at country sidings.

"Such price is not so far above present ruling prices that it is beyond the bounds of reasonable possibility even in the near future, and it is contended that if influences were not being exercised to maintain on wheat land farmers who cannot hope to succeed in the conditions likely now to prevail, the wheat problem of Australia would very soon settle itself."

Royal Commission Appointed

It is this problem which led to the appointment of a Royal Commission under the chairmanship of Sir Herbert Gepp to investigate all aspects of the wheat industry. The terms of reference of the commission are as follows:

"To enquire into and report on the economic condition of the industry of growing, handling, and marketing wheat, manufacturing flour and other commodities from wheat and the problem of manufacturing, distribution and selling generally."

The commission has been asked to deal first with the general position of the wheat farmer.

First preliminary report of this commission, recommending the payment of £4,000,000 in relief on the basis of wheat at 3 shillings a bushel, was recently approved by the Australian government. The amount will vary in accordance with any change in wheat price.

Conducted at Loss

The general position of the wheat industry in Australia according to this report may be summed up in the statement that at recent world prices the industry has been conducted at a loss. Accordingly for the past three years, the government has been forced to provide financial assistance to growers and it is the continuance of this necessity which has forced upon those in authority an exhaustive consideration of the economics of the industry.

Thus, in 1931-32, assistance was provided in the form of a bounty on all wheat sold from the crop of that year. The rate of the bounty was 4½d. per bushel and the amount expended was £3,414,000.

In 1932-33, a special grant of £2,000,000 was made to wheat growers by the federal government through the various state governments. Generally speaking this was allocated to individual growers on the proportion of acreage sown to wheat, though certain sums were set aside to assist growers in necessitous circumstances and New South Wales used a portion of the sum provided to offset railway freight charges.

Conference in 1933

The next step was in 1933 when at a conference called by the Commonwealth government proposals were advanced for the erection of a compulsory Australian wheat pool. The principal object of such a pool would have been to enable an Australian price to be fixed higher than world parity in order to recompense farmers for losses on overseas shipments. The government refused to agree to this proposal basing their refusal on the ground that as the proportion of exports to local consumption was three to one, if it were wished to raise prices from the then level of 2s. 2d. per bushel at country sidings to three shillings per bushel, it would involve raising the price for local consumption to about five shillings per bushel which would add approximately £6. 15s. to the price of flour consumed locally.

This conference was apparently interrupted by the world wheat conference and no further action was taken until these meetings at London had been held.

World Conference Intervenes

As is well known, Australia vigorously opposed the first proposal of the conference; namely restriction of wheat acreage, this opposition having been supported by a meeting of the Premiers of the various states to refuse to confirm the stand against the restriction of acreage. It was later agreed, however, that Australia might be disposed to agree to a restriction of exports within defined limits.

Coincident with the world wheat conference a temporary rise in prices occurred and this fact together with the hope that a solution would be found which would avoid the necessity for giving financial aid led to the Australian government to defer still further the consideration of the probem of Australia itself. When last year's budget was introduced, it made no provisions for assistance to wheat growers.

Loan Proposed

Subsequently, however, it became again apparent that aid must be forthcoming and after turning down a scheme for controlling the marketing of wheat the federal government decided to approach the Commonwealth bank for a loan for assistance to wheat growers. The bank agreed to advance £2,500,000 on condition that the amount should be refunded out of revenue in the next three years.

Discussions took place and ultimately the government decided to finance the scheme to produce £3,000,000. The manner in which this scheme was to be secured was as follows:

(1) By a tax of £4. 5s. per ton of flour consumed in Australia which was estimated to yield £1,600,000 up to June 30, 1934, when it ceased to operate.

(2) By an increase in the customs duty of 6d. a pound on tobacco, estimated to realize £130,000.

(3) By an increase in the special tax on property income (recently modified) to yield £200,000.

The balance of £1,050,000 was to be provided from the budget of 1933-34 and 1934-5.

Consumer Pays Half

Thus under this scheme of assistance, it will be seen that only one half the cost was to be borne directly by the consumer, whereas the adoption of the proposal for compulsory Australian wheat pool would have involved the full cost being borne by the consumer and reflected in the price of bread. The allocation of the sum of £3,000,000 to the state was to be made on the basis of acreage sown to wheat as was provided previously, the states were required to apply the sum made available to them toward reducing the cost of production and by providing for the needs of individual growers.

Key Facts About Wheat

	Week bu.	Previous Week bu.	Same Week Year Ago bu.
Canadian Wheat in Store:			
Fort William, Sept. 7	56,460,072	54,788,508	62,171,434
Country elevators, Aug. 31	72,905,514	66,585,882	75,164,481
Total, all points, Aug. 31	193,771,098	185,236,539	198,952,331
World Shipments, incl. flour: Sept. 1:			
North American	4,621,000	3,801,000	4,933,000
Argentine	2,875,000	3,430,000	2,747,000
Black Sea*	256,000	192,000	296,000
Australian	1,142,000	3,109,000	580,000
Total, world	9,414,000	11,188,000	9,336,000
Visible Stocks:			
United States, Sept. 4	114,996,000	115,223,000	114,276,000
Argentine, Sept. 4	19,840,000	19,472,000	11,389,000
Australian, Aug. 28	45,000,000	44,040,000	30,000,000
Country Marketings and Exports:†			
Canadian exports, Aug. 31	3,546,579	2,984,527	3,587,637
Cum. to Aug. 31 (5 weeks)	14,661,076	11,116,497	13,279,054
Prairie marketings, Aug. 31	3,923,111	3,002,817	11,032,852
Cum. to Aug. 24 (4 weeks)	15,035,721	6,014,734	23,809,442
Country deliveries, Sept. 7‡	16,596,000	19,875,000	11,359,000
Country loadings, Sept. 7‡	10,266,000	10,620,000	7,380,000

*Includes So. Russia. †Excluding flour. ‡Sanford Evans Weekly Report.

Winnipeg Grain Prices

Week to Sept. 11

Crop year from Aug. 1, 1934 High	Low		Open Sept. 5	High for week	Low for week	Close Sept. 11
		Wheat				
.95	.80¾	October	.81⅜	.84⅝	.81⅛	.84¼
.97	.81	December	.83⅛	.86⅜	.82⅞	.85¾
1.00½	.85½	May	.86⅞	.90⅛	.86⅛	.89½
		Oats				
.48	.40¾	October	.46⅛	.46¾	.45⅜	.45½
.47⅜	.40½	December	.45¾	.46⅜	.44⅞	.45⅛
.49⅝	.41⅛	May	.46⅞	.47½	.45⅞	.46¼
		Barley				
.64⅝	.49¾	October	.60⅝	.64⅝	.59⅞	.64½
.63¾	.50½	December	.60⅛	.63¾	.59⅞	.63⅝
.65	.51⅝	May	.60⅞	.65	.60½	.64⅞
		Flax				
1.73½	1.60	October	1.63⅜	1.64	1.60	1.62½
1.74¾	1.60	December	1.62½	1.62½	1.60	1.60¼
1.73½	1.65⅛	May	1.66	1.70	1.65	1.68¼
		Rye				
.76½	.70	October	.72¼	.74	.70⅛	.70¼
.77	.70¾	December	.71½	.73¾	.70½	.70¾
.80½	.74	May	.74½	.77	.74	.74½

Buffalo Route Losing Ground Despite Cut Rate

From Our Own Correspondent

WINNIPEG.—The combined effect of British preferential regulations, making it difficult for Canadian wheat shipped from a United States port to escape payment of duty, and the Canadian coastal laws, are reducing the importance of Buffalo as a factor in the Canadian wheat trade. Although United States vessels are quoting only a cent and three eighths per bushel to Buffalo, as against the 2¼ cents for shipment to Port Colborne or bay ports, and 6 cents a bushel from the head of the lakes to Montreal, they do not succeed in getting much wheat to move by that route.

The fact that lake forwarders have accumulated considerable stocks in the east, under the stimulus of free summer storage in eastern elevators, is a check to some extent on all lake movements at the moment, and such also is the effect of the export shipments now being made from Churchill. These, it is claimed, may now amount to as much as 3,500,000 bushels for the current season, and some grain of this year's crop is now being moved from Northern Saskatchewan elevators to that point. In previous years clearly all the grain moving from Churchill was old, and not new crop, and most of it had been carried through one winter at Churchill.

Estimate Northern Yield Down 260,000,000 Bu.

Wheat crops in the northern hemisphere, with the exclusion of Russia and China, will be approximately 260,000,000 bushels less than the crop harvested from the same area last year, according to a recent estimate of the International Institute of Agriculture, Rome. The estimated yield is between 78 and 79 million metric tons (about 3,000,000,000 bushels) which compares with 85,500,000 tons last year.

The estimate was based on preliminary statements available from a number of countries and on general indications from countries where statistical data have not been furnished.

Preliminary estimates, all showing crops smaller than in 1933, have been published by 17 countries representing about two-thirds the total for Europe excluding Russia. The institute's European estimate is 39,500,000 metric tons, lower (approximately 1,500,000,000 bushels). The institute indicated it expected the Russian crop to be mediocre with only a slight margin for export purposes.

Farm Debt Relief Plan Approved by Australia

Australia has approved a scheme to finance farmers' liabilities in agreement with mortgagees, it is announced. The Australian plan will be financed by an internal loan of from £15,000,000 to £20,000,000. It is probable that an export board will be formed with power to fix the domestic price of wheat. Study of Canadian plans is continuing with this in view.

There are a certain number of wheatgrowers — including mostly settlers in the more distant country where they took up land in Government settlement projects—who cannot produce profitably even in times of good prices. Government policy in respect to these, as well as others, has yet to be decided.

Heavy Demand from U.S. for Canada's Durum Wheat

Up to the end of last week, approximately 1,000,000 bushels of Durum wheat had been shipped to the United States, high premiums being paid on this variety by United States interests.

One shipment last in August is reported to have been made at a 32-cent premium over the September future while Durum is being quoted at 17½ cents above the Winnipeg October future for No. 1 Northern. Supplies of Durum are being quickly cleaned up, it is reported.

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Your Investments

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West Can. Hydro

What is the position of the six per cent bonds of West Canadian Hydro-electric Corp?

West Canadian Hydro-electric Corp. showed operating revenue of $109,628 in 1933, compared with $101,517 in 1932 and $90,097 in 1931. The six per cent first mortgage bonds, due 1950 are outstanding in an amount of $1,000,000. Last year, a good deal of the increase in net revenue was absorbed by a premium on U. S. funds in which bonds may be made payable by the holder. This premium has disappeared and this should assist the company in the current year.

While the exact income account of this company, which is a subsidiary of Canadian Public Service Corp., is not published, the net operating revenue of West Canadian Hydro and the income account of Canadian Public Service indicate that bond interest on the West Canadian 6's is being earned by a comfortable margin.

Neon Products

Is Neon Products of Western Canada earning its preferred dividend?

Neon Products of Western Canada has not issued an income account since 1931. However, the six per cent dividends on the preferred shares have been paid regularly since 1930 and the surplus shown in the balance sheet had increased to $76,103 at the end of 1933, compared with the previous highest figure of $71,111 in 1931. Although the income statement is not published, this would indicate that the preferred dividend has been earned after providing reserves. The company's working capital is only $12,132, and equity for the preferred is only $81.56 per share.

Windsor Bonds

Is there any likelihood of getting any interest this year on City of Windsor bonds on which I have received no payment since 1932?

It is not possible to state yet whether any interest will be paid on Windsor bonds this year. Creditor interests are anxious to collect some interest but cannot come to a decision as to whether it will be possible for the city to make a payment until tax collection experience for the year is known.

Business conditions are better in Windsor and tax collections have improved somewhat over last year. It will probably be November or December, however, before it will be possible to determine whether the city's collection will allow of some payment on bonds.

Plans of the Ontario Government, as yet undefined, may dislocate hopes for collection of some interest from Windsor this year. It is understood, however, that the province plans to help municipalities readjust their debts in such a manner that the municipalities will be able to stand on their own feet. This would mean that some plan may be evolved for Windsor involving payment of interest. The provincial government, however, cannot squeeze blood out of a stone, and unless tax collections in Windsor exceed the ordinary operating expenses of the city by a considerable amount, no interest can be paid. The important thing to look for, therefore, is the year's tax collection experience which will be better known toward the end of the year.

Canadian Western Gas

Please give me information on Can. Western Natural Gas that will enable me to tell whether the preferred shares are a good investment.

Canadian Western Natural Gas, Light, Heat & Power Co., operating in Calgary, Lethbridge, and neighboring municipalities has earned its preferred dividend by a substantial margin in the last seven years. Sales of gas have shown a fairly steady increase over that period, although 1933 sales of 6,694,855 cu. ft. were about five per cent lower than those in 1932.

Earnings per share on the preferred stock amounted to $15.29 in 1933 compared with $15.90 in 1932, and $15.13 in 1931. The preferred dividends have been paid regularly. The preferred shares are quoted on the open market at about 92 to 93.

Since 1931 the company has been putting aside $70,000 yearly for retirement of preferred shares. At the end of 1933, 3,049 shares of the 350,000 issued shares of six per cent preferred stock had been redeemed and cancelled through this fund. This, naturally, strengthens the position of the remaining shares outstanding. However, the deduction from the company's income to set up this capital redemption reserve has been made at the expense of showing deficits after all deductions from income. Hence, while a special account of $210,719 is shown in the balance sheet as a surplus for redemption of shares, the profit and loss surplus amounted to $151,216 in 1933, compared with $378,527 in 1930. Some correction of this situation was made in 1933 by reduction of dividends on the common stock from $4.50 in 1932 to $3 in 1933. If necessary, common dividends could be further reduced so that even after payment of the preferred dividend, there would be ample earnings to cover the transfer to capital redemption reserve.

Can. Insurance Shares

Can you give me a short history and report on Canadian Insurance Shares?

Canadian Insurance Shares was formed in 1928, and common shares were offered to the public at $50 each early in 1929. The capital consists of 100 management shares authorized and issued and 200,000 class A common shares of which 49,107 were outstanding at Feb. 28, 1934. The company was formed to provide capital for development of Canadian-owned insurance companies. The company's main holdings consist of shares in Canadian General Insurance Co., Toronto General Insurance Co., and Central Canadian Insurance Co. At the time of offering of the shares, $20 each was the amount payable on subscription. The remaining $30 has been called since that time.

Central Canadian Insurance Co., of Winnipeg, was acquired in 1930. The first annual statement of the company, issued in 1930, showed accounts payable at $257,101 including a secured demand loan of $250,000. At that time W. W. Evans was president and W. P. Fess was general manager of the company, which was sponsored by the Rt.-Hon. Arthur Meighen, vice-president.

R. T. Evans was elected president in 1932 to fill the vacancy caused by the death of W. W. Evans. R. T. Evans is president and general manager of the British America Elevator Co., Winnipeg. In November, 1932, it was announced that sufficient overdue calls on capital have been collected to permit repayment of the loans shown as reduced to $12,000 in the 1932 balance sheet.

The report for the year ended Feb. 28, 1934, showed the 49,107 class A common shares carried at $1,227,675 and the 100 B management shares at $2,500. There was $44,750 unpaid on subscriptions. There was also $864,164 for premium on stock (less underwriting charges, and profit and loss account) less $341,465 for the amount unpaid on the premium portion of subscriptions leaving a net amount in surplus of $522,699.

Investments in controlled companies were as follows: Canadian General Insurance Co., 95.12 per cent of the stock for $1,038,639; Toronto General 68.66 per cent of stock for $541,652; Central Canadian Insurance Co., 58.44 per cent of stock $106,775; being a total investment of $1,687,066. The report stated that a dividend of 25 cents a share had been paid by Toronto General, netting $16,269 to Canadian Insurance Shares. With another favorable year for Canadian General Insurance Co. and Toronto General, R. T. Evans, president, stated that by 1936 a substantial dividend may be expected from Canadian Insurance Shares. The income account for the year ended Feb. 28, 1934, showed general expenses of $440 and reserve of $2,000, provided against accounts receivable, leaving surplus for the year at $14,241. Outside the dividend from Toronto General Insurance Co. the only income was interest on arrears of capital of $412.

Toronto Harbor Bonds

What sort of security is behind my Toronto Harbor bonds?

All capital expenditures of the Toronto Harbor Commission are approved by the city of Toronto and all bonds issued are unconditionally guaranteed by the city. Debentures issued are secured by mortgages on all newly created harbor property as well as the security afforded by the city's guarantee. In the last year shipping in Toronto harbor has materially increased as well as sales of harbor front property.

F. N. Burt

What sort of a business is carried on by F. N. Burt Ltd. and what did the company do last year? Would also like to have the range of the common stock since 1929.

F. N. Burt Co. manufactures paper boxes, paper products, molded paper novelties, folding cartons, rigid paper boxes, etc. The major portion of the business is carried on at Buffalo, N.Y., where the company owns and operates two factories. There is a subsidiary at Toronto.

For the year ended December 31, 1933, the company had a net profit of $108,145 as against $179,607 in 1932. After preference dividends and common dividends, the latter amounting to $215,088, there was a deficit for the year of $111,241 as compared with a deficit of $98,911 in 1932. The 1932 surplus of $1,047,999 was reduced to $936,758 in 1933. In 1933, 97 cents was earned on the common stock and $2.00 paid in dividends as compared with $1.63 earned in 1932 and $2.55 paid. In 1930, the $3 paid in dividends on the common stock was earned by a margin of 19 cents. The common stock which has a par value of $100 had a high of 90 in 1929, 56 in 1930, 44½ in 1931, 32 in 1932, and 38½ in 1933. The low during the latter year was 20. For 1934, the highest point so far has been 34 for this stock and the low 27. It is currently quoted at about 31.

Massey-Harris Com.

I am considering a long term investment in Massey-Harris common. What is the recent record of this company?

The fortunes of the Massey-Harris Co. are tied up inevitably with those of the Canadian farmer. Profits depend almost entirely on the sales of agricultural machinery which the farmer can only buy when agricultural prices are satisfactory. The Financial Post has been informed officially that rumors of an impending reorganization of this company are entirely without foundation. A gain of 30 per cent is reported in sales for the first six months of the company's fiscal year which started Dec. 1, 1933. However, the serious drought which reduced prospects for the western crop has had an unfavorable effect on sales but more recently it is understood these have improved.

For a short period in 1929, dividends were paid on the common stock for the first time but were passed Oct. 15, 1930, and none have been paid since. Before this stock can hope for future dividends, arrears on the five per cent cumulative preferred which have been deferred since Feb. 16, 1931, will have to be cleared up. In addition, there are payments on the bond sinking fund requiring attention. The Financial Post understands that interest on bonds is likely to be paid throughout 1934. The company is in arrears two payments, however, on the sinking fund and another payment of $300,000 will be due next October. No decision has yet been reached as to the policy the company will take as regard to arrears on sinking fund, but it is understood there is no intention on the bondholders' part just now to force an immediate settlement. Failure to provide sinking fund is not regarded by those close to the company as an absolute default in the sense that such sinking fund could not be paid. It was rather an effort to conserve liquid resources of the company.

Current assets of the company at May 31, 1934, were valued at $25,396,000 as compared with $26,055,507 at November 30, 1933. Current liabilities during this period increased from $3,494,166 to $4,097,000, thus reducing the working capital from $22,561,341 at November 30, 1933, to $21,299,000 at May 31, 1934. The current assets are shown after deducting nearly $7,000,000 for bad debts and inventory depreciation reserves. The current liabilities include $2,688,000 for bank loans and overdrafts, as compared with $2,017,762 on Nov. 30, 1933. Neither depreciation nor bond interest has been earned since 1929, and nothing on the common or preferred stock since 1928.

Dominion Stores

I hold stock in Dominion Stores and would like to know something about the recent progress of this company. What were the earnings per share in the last few years?

Dominion Stores total sales for the 32 weeks ended August 11 last amounted to $11,849,854 as compared with $12,052,860 for the corresponding period in 1933. Earnings for the first six months of the present year amounted to $120,224 or 42 cents per share as against $156,774 or 55 cents a share for the same period of 1933. There was little change in the working capital during the two periods which at June 16, 1934, stood at $2,714,066. For the first six months of 1934, the company operated an average of 504 stores as compared with an average of 522 stores during the corresponding period of 1933. The drop in earnings was attributed to two things: (1) the decrease in revenue derived from interest earned and the discounts saved, and (2) to the fact that during the last 14 weeks of the half year, the company was forced to meet an intensely competitive situation which developed in Montreal where 25 per cent of the company's grocery and meat business is done. For the year ended December 31, 1933, Dominion Stores earned $1.20 on the common stock as compared with $1.28 per share in 1932, and $1.85 per share in 1931.

Chomedy Apts.

I would like to have any recent information on the position of Chomedy Apartment bonds.

The capital of Chomedy Apartments, Montreal, has been rearranged. The six per cent first mortgage bonds have been exchanged by agreement of bondholders for eight per cent income mortgage bonds. Also, a new first mortgage for $35,000 was authorized by bondholders in 1933. This small first mortgage was raised to pay off city of Montreal taxes and to supply new heating and other equipment for the building.

The eight per cent income mortgage bonds are paying no interest at present. Bondholders are entitled to receive up to eight per cent on their investment, if interest is earned. If it is not earned, there is no accrual of arrears. The bonds were originally issued at six per cent in the amount of $225,000 and have been reduced to $210,000. It is understood that there is no likelihood of a payment on these bonds for some time, perhaps as long as three years. The reason for this is that the company must pay off the $35,000 first mortgage before it is able to pay on the income bonds. The $35,000 mortgage runs until 1938 and it is considered unlikely that surplus earnings will be available for the income mortgage bonds until 1936.

Some improvement is now being experienced by the building company. There are fewer vacancies although rentals are not appreciably higher, and operating expenses have been reduced. While this improvement enables the company to pay its taxes and service the first mortgage, it is understood to be insufficient to allow of a payment on the income mortgage bonds.

Hedging Inflation

What type of investments would survive an inflation in the United States with the least damage? What investments came through best in Germany?

While there appears to be some possibility of a credit inflation in the United States, which might alter relative price levels in the course of the next few years, it still appears far from likely that the U. S. government will wittingly conduct an inflation on the scale that occurred in Germany. Nevertheless, a substantial credit inflation in the United States might bring about similar but less pronounced results.

Generally speaking, investments in equities of various sorts have been the most effective safe-guards against inflations in the past, such as that in Germany. This would include such things as desirable real estate, shares of companies engaged in the merchandising or manufacture of commodities, and goods and commodities of various kinds themselves.

The safest hedge of all has been to transfer funds out of the country where inflation threatens, into foreign investments.

Naturally, a great many qualifications must be made concerning investment in any of these types of equities. For instance, real estate that is unproductive of revenues, and of doubtful marketability might be of no assistance to the individual, particularly if he were to encounter difficulties in meeting taxes. Common shares in such enterprises as public utilities whose rates are peculiarly stable, might also be of little assistance. And investment in commodities themselves is always open to the difficulty of storing such goods, and the fact that no income accrues from the investment.

Nevertheless, it is apparent that the shrewd investor, in a period of rising prices can sometimes do very well himself in well chosen equity investments. The choosing must rest largely with the individual investor. In Germany, Hugo Stinnes amassed a huge fortune in the inflation by buying into all sorts of commercial enterprises and manufacturing concerns. When the readjustment of the currency came, however, he was carrying such a heavy load that his structure collapsed. This is simply illustrative of the difficulty of avoiding the devastating effects of inflation.

B.C. Packers

Will you please be kind enough to furnish me with an opinion on the common stock of B. C. Packers as a speculative purchase now currently quoted around $1.80 per share?

Under the best conditions it must be years before a dividend can be paid on the common stock of B. C. Packers. No preferred dividends have been earned since 1929 and no common dividends since 1928. The preferred dividends are cumulative at the rate of $7 a share, and therefore, a large deferred amount is to be paid before common can share.

The company has no funded debt but it had a working capital deficit of $207,584 on February 28, 1934, with cash low and inventories high. There were liabilities of $656,000 for secured bank loan and $722,492 of bills payable.

Current season is now on but the changes it will bring will not be apparent until next winter.

Page-Hersey Tubes

Will you please let us have your opinion of the sale of 100 shares of Page-Hersey Tubes, common, and the purchase of $5,000 five per cent sinking fund bonds due 1947 of the Massey-Harris Co. Ltd.? This exchange has been recommended by a Toronto broker and we would like as full information as you can give us. Safety is an important consideration in the case involved.

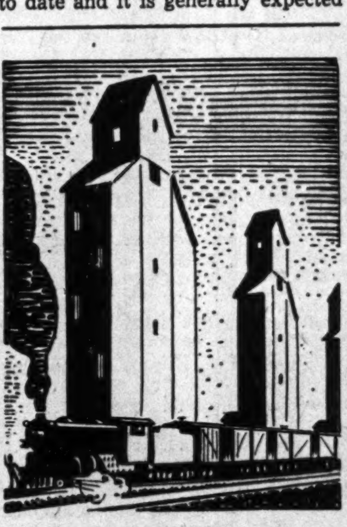
If you were to sell 100 shares of Page-Hersey Tubes at 68, you would get $6,800 (ignoring broker's commission) and you could purchase $5,000 of five per cent sinking fund bonds due 1947 of the Massey-Harris Company, according to recent bids at about $72 for $3,600 which would leave you $3,200. If you expended the whole amount you could get more than $9,000 face value of the five per cent sinking fund bonds of the Massey-Harris Company.

Shares of Page-Hersey pay $3 a share annually and are selling at $68 a share to yield 4.41 per cent. This shows that optimism is high that eventually Page-Hersey Company will increase earnings to such an extent that it can pay higher dividends. This is true even though in 1932 the company earned only $1.96 and paid $4 a share and in 1933 it earned only $1.82 a share and paid $3 a share. These inadequate earnings, if continued, could only result in one way and that is, in a still smaller dividend. The market apparently does not think they will continue and expects eventually higher dividends. The statement has come from company sources that, in the first eight months of 1934, business has shown consistent improvement in domestic and export markets. Dividends have been paid to date and it is generally expected that earnings are much higher and that the very strong financial position of the company at the end of 1933 has been still further enhanced.

One reason for the high price in the stock market is that investors still have a lively memory that this company earned $11.30 a share in 1928, $11.29 a share in 1929, $10.33 a share in 1930 and $5.81 a share in 1931. Therefore, those who buy to get a yield of 4.41 per cent on their money while dividends are $3 a share are really hoping for a period of construction activity when this company will earn much more than now.

Massey-Harris bonds, selling at $72 give a yield of 6.94 per cent because no interest has been earned on these bonds since 1929. Interest has been paid to date but sinking fund payments were passed recently. The company's sales were up 30 per cent in the first half of the current year.

The company is still making large losses before bond interest but so long as it is able to secure payment on its very large totals of bills receivable and sell part of its large inventories, it can continue to pay. For permanent payment of the interest on these bonds, it is necessary that agricultural prosperity should revive. One or two good years on the scale of 1927, 1928 or 1929 would again establish these bonds as an excellent industrial investment. You say that safety is an important consideration in the case involved. Massey-Harris bonds may prove an excellent speculation against a time when prosperity again asserts itself in rural communities but until that time it cannot be asserted that there is safety.



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Brewers & Distillers

Will you give me information on the current position of B. C. Brewers & Distillers?

The prospects of Brewers and Distillers of Vancouver, Limited, are somewhat obscured by the recent action taken against the former officials, George and Henry Reifel, for alleged smuggling of large quantities of liquor into the United States in recent years. The civil suit, filed by the Government, was for $17,250,000. It has been stated that Brewers and Distillers had no direct interest in the Pacific Forwarding Co., Ltd., which transported liquor to the United States. The Reifels have resigned from Brewers and Distillers. The capital reorganization recently approved has been delayed as a result.

It has been found difficult to take full legal advantage of the end of prohibition in the United States because of the $5 a gallon customs duty. The United States drinkers have shown themselves strongly adverse to paying large sums for whisky and therefore, cheap blends have been the chief kinds marketed to date.

There is a great deal of Canadian whisky awaiting a reduction in the United States tariff. Not very long ago distillers were confident that such a reduction would come but it has been delayed so long that investors are a little dubious. Bootlegging still goes on apace and companies need strong liquid assets in order to finance the sale of whisky and other beverages through the marketing organizations created. Even for blends the supply of aged whisky in the United States must be very low. It may yet be that President Roosevelt will listen to those of his advisors who tell him that the way to fight the bootlegger is to lower the customs duty so that better liquor will flow in to sell at reasonable prices.

Rackets

Racket: "A trick, dodge, scheme, game, line or business or action." — Shorter Oxford English Dictionary.

Surveys

A MORE subtle form of approach is now reported being used by racketeers employing sucker lists. Instead of simply mailing out literature recommending purchases in certain "gold brick" stocks or other "get rich" schemes, the letter is sometimes followed by a telephone call, telegram, or a personal visit by a gentleman who proposes to investigate and analyze present holdings.

Without any charge whatsoever, a survey is made and recommendations regarding reinvestment of money follow. The average man has become more sophisticated in recent years and no longer judges his importance in the community by the number of sucker lists which include his name but not a few are liable to fall for the free analyzation of holdings.

The more information the stock racketeer possesses in regard to the securities of a potential victim, the more ammunition he has for an approach leading to a switch from valuable investments to something in the distinctly questionable category. Sucker lists are obtained in a variety of ways and are often sold at substantial prices. Daily papers are scanned for names of freshly made widows who have just come into considerable sums of insurance and other money and are ready for investment. No item, no matter how small or pitiful is overlooked. Deaths and births are noted and also appointments and promotions.

Victims are classified as to their preference for certain types of investments in the past together with latest available information, following personal surveys, as to present holdings. Religious beliefs, political affiliations, and even the most susceptible methods of approach are often noted and used by high pressure salesmen.

It is a fact vouched for by the Better Business Bureau of Montreal, that higher prices are actually paid for those sucker lists which contain the names of those who have already been taken in by the "dynamiter" as the high pressure salesman is called by stock racketeers.

Canadian Oil Cos.

I shall be much obliged if you will let me have a report on Canadian Oil Companies Ltd. Do you consider their preferred stock in the investment class or speculative?

What is the market on the common stock?

Canadian Oil Companies eight per cent preferred stock has shown consistently high market valuation since 1925. It showed a high of 170 in 1928 and the low point in 1934 was 92 with the high point 105. In all of these years except 1932, preferred dividends were fully earned and in 1934, company's earnings are stated to have been higher than in 1933 when $12.32 a share was earned.

As the company has maintained a strong working capital position through that time and paid common dividends as well, the preferred stock is entitled to a good investment rating.

Like other companies in the industry, it is subject to any world influences that may come to bear upon it. You may recall that in 1933 during the first half of the year, even the strongest oil companies in the United States showed losses because of the over-production of crude oil. Canada had an indirect interest in that situation. If Controller Ickes succeeds in passing through Congress in its coming session the bill to give Federal control of oil production throughout the United States, it is expected that the dislocation of the oil industry there will come to an end shortly.

The "hot oil" and distress gasoline have made the present price situation in the United States up to the present year a very difficult one. There has been some repercussion in Canada with efforts to get rid of some of the surplus here. So long as price wars do not develop the earnings of the larger companies should continue to be adequate. This is the only cloud at present seen in the sky.

F. O. Mitchell President
Great West Saddlery Co.

At the recent annual meeting of Great West Saddlery Co. F. O. Mitchell, Toronto, was elected president, following the resignation of A. G. A. Spence. Mr. Spence will continue as a director.

Mr. Mitchell was formerly vice-president and assistant general manager of William Davies Co. and for the last three years has been a director of Great West Saddlery.

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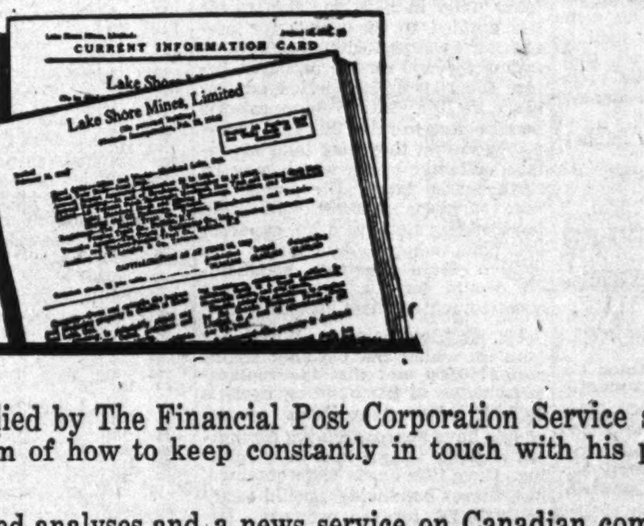

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PORTO RICO POWER EARNINGS FOR 1934 REGISTER ADVANCE

Capital Stock Dividends Covered by Good Margin

From Our Own Correspondent

MONTREAL.—Earning Power of Porto Rico Power Co., controlled by International Power Co. registered a sharp increase in 1933 compared with the previous year, according to the official statement. This is in line with the preliminary forecast made by The Financial Post three weeks ago.

After taking into consideration all operating charges, depreciation, taxes, and losses due to the hurricane of 1932, there was a net income of $662,756. This compares with $547,092 in 1932. Interest charges required $228,858, leaving a balance of $433,898 to cover preferred and common dividends amounting to $310,000. The surplus of $123,897 on the year's operations compares with a deficit of $6,088 in 1932.

Carry Forward Surplus

Particulars of the income account follow:

	1933	1932
Net income	$662,756	$547,092
Less: Bond int.	191,376	199,746
Other interest	37,482	43,434
Net profit	433,898	303,912
Less: Pfd. divds.	70,000	70,000
Com. divds.	240,000	240,000
Surplus	123,898	*6,088
Previous surplus	805,618	811,707
Carried forward	929,576	805,619

*Deficit.

Improve Working Capital

Further strengthening in the company's financial position is shown by the balance sheet. During the year working capital increased by over $256,000, though current liabilities still exceed current assets by $184,390 as against $440,754 a year ago.

During the year the company redeemed $92,000 of its first mortgage bonds, reducing the outstanding amount to $1,578,500. There is no change in the issued refunding mortgage bonds, while the 6 per cent debentures, hypothecated against bank loan, have been reduced $25,000 to $975,000.

Bank Loan Unchanged

The company's bank loans still stand at $675,000. Other current liabilities do not show any material change.

Among the assets property account is shown on the books at $11,316,160, as against $11,781,889 in 1932. During the year the company spent $73,669 on capital account. Due to the abandonment of part of the company's tramway system, as well as other property retired and sold, $465,730 was written off the property account and charged against depreciation reserve.

Other changes are of no importance.

FORD MOTOR OF CAN. SALES ARE DOUBLED

Figures Indicate Average Value of About $571 Per Unit Sold

Business for the Ford Motor Co. of Canada for the first eight months of the present year has been more than double that of the same period in 1933. "Since January our unit volume has been approximately 35,000 units," states W. R. Campbell, president, "compared with 14,000 during the same period last year and dollar volume was $20,000,000 as against $8,000,000. These figures include shipments to affiliated overseas companies, and indicate an average value of about $571 per unit to the company.

The usual seasonal decline in export business has not taken place this year, according to Mr. Campbell, and as a result employment is higher than for some years past. The average number of employees in Canada is estimated at 4,500. The plant at East Windsor and the assembly branches, including Toronto, will carry on at the present high level of production, it is understood, until well into the autumn.

Manitoba Power Co. Revenue Ahead in July

From Our Own Correspondent

MONTREAL. — Gross and net operating earnings of Manitoba Power Co. in July continued to show the gains over 1933 that have characterized every month so far this year. Gross of $105,790 was up $4,386 for the month, bringing the cumulative improvement for the 7 months to date to $20,175, practically all of which was carried down into an increase of $19,885 in net. While this improvement is moderate, it represents steady progress from month to month. Whether the margin of earnings for the full year over bond interest requirements will exceed 1933, when there was a surplus of $57,952 after all charges, including taxes, will depend also on miscellaneous income that has fluctuated in recent years, and the depreciation charge decided on. The exchange item, which was $28,171 in 1933, should be further reduced and virtually eliminated.

OIL FREIGHT RATES CHANGED IN WEST BY RAILWAY COMM.

No Increase in Gasoline is Expected as Result

From Our Own Correspondent

REGINA.—Oil company officials do not expect any increase in the price of gasoline in Western Canada as the result of change in the freight rate schedule as ordered by the railway commission. This schedule raises rates at some points and provides substantial reductions at others.

Here is the new schedule as ordered by the commission:

	New	Old
Weyburn	49½	47½
Regina	53	47½
Moose Jaw	54	47½
Swift Current	58½	57½
Yorkton	57½	79½
Saskatoon	59½	82½
Humboldt	61	80½
Rosetown	61	83½
Prince Albert	63½	89½
Winnipeg	49½	47½
Calgary	72	57½
Edmonton	73½	96½

These quotations are per hundred pounds, carload lots, from Kansas, Louisiana, Missouri, Oklahoma and Texas. The new schedule will not affect United States rates as shippers are willing to accept their same through proportion.

Calgary oil men report it will be more costly to refine Turner Valley naphtha in Calgary and less costly in Edmonton as the result of the new rates. The crude from the United States is mixed with the Turner Valley product to make good gasoline. There is some guesswork as to whether the Calgary gasoline rate to the consumer will be raised and the Edmonton rate lowered.

QUEEN'S PK. PLAZA MUST GET $100,000

Bondholders Have 30 Days to Report Progress of Subscriptions

Mr. Justice Makins at Osgoode Hall, Toronto, has given bondholders of Queen's Park Plaza 30 days in which to raise a reasonable portion of the $100,000 necessary to acquire title to the property. If at the end of 30 days substantial progress toward collecting the $100,000 is shown, further time is to be allowed.

I. E. Weldon, president Queen's Park Plaza bondholders' association, has sent a letter to bondholders urging them to raise $100,000 to secure title to the building. Queen's Park Plaza was sold for arrears of taxes early in 1934, and the trustee has applied to the courts for permission to accept either of two offers of $100,000 for the property, before the redemption period expires early in 1935. Mr. Weldon exhorts bondholders to raise this sum themselves so that they may take advantage of better offers which may be forthcoming later. He points out that sale for $100,000 will yield bondholders nothing after expenses are paid, whereas by raising this sum to obtain clear title, bondholders would have a chance to get some return on their investment.

Mr. Weldon points out that the land on which the building stands cost $150,000 and that the replacement value of the building itself is $550,000. He states that several people have approached the committee seeking to purchase the building. Once title deeds were obtained, he believes bondholders could easily get $200,000 for the property. Mr. Weldon points out that if the 30 days allowed by the courts expire without substantial collections, the bondholders will face a total loss of their investment.

Sarnia Bridge Co. Seeks Borrowing Powers

From Our Own Correspondent

MONTREAL. — Shareholders of Sarnia Bridge Co. have been notified that a special general meeting will be held in Sarnia on September 21 to consider and ratify, if deemed advisable, special by-law A authorizing the directors to exercise the borrowing powers of the company and to issue bonds, debentures or other securities of the company with interest at rates not exceeding 6 per cent.

Call Conduit Co. Meeting To Fill Board Vacancies

A special general meeting of shareholders of Conduits Co. will be held at the head office of the company at Toronto on Sept. 18 to elect directors to fill the vacancies on the board caused by the deaths of J. Herbert Hall, M. L. Condit and H. D. Hall.

Public Utility Earnings

Manitoba Power Co.
July

	1934	1933
Oper. revenue	$105,790	$101,404
Oper. expenses	24,644	22,714
Net earnings	81,146	78,690
Seven Months		
Oper. revenue	$739,544	$719,369
Oper. expenses	159,402	159,112
Net earnings	580,142	560,257

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING SEPTEMBER 10

Range 1934 High	Low	Divd. Rate in $	Y'ld in % Sept. 8		Sales	Close Sept. 3 (or last)	Week Ending Sept. 10 High	Low	Close
				A					
2.50	.80			Abitibi	1025	1.05	1.00	.95	1.00
10½	4½			Do. pref. 6%	5	8	5½	5½	5½
7¾	4			Do. cert. dep.	....	4			
x80	80			Acme F. D'y p.	....				
3	3			Acme Glove	....	3			
25½	25	3.25		Do. pref.	....	25			
8½	5½	20c		Agnew Surp.	120	7	7	6	7
90	72	7	8.7	Do. pref.	5	76	80	80	80
7	3			Alta. Pac. Gr.	25	3½	3½	3½	3½
23	14½			Do. pref.	180	15	15	15	15
2½	1½			Amal. Electric	....	1½			
15	10			Do. pref.	....	15			
x3½	3½			Anglo. N. Hold.					
13½	5½			Asbestos, v. t.	124	6	5½	5½	5½
13	9½	25c		Assoc. Brew.	300	10½	11	10½	11
97½	85	7	7.2	Do. pref.	25	93	97½	97	97
4½	4½			Assoc. Can.	....	4½			
				B					
145	124	8	6.4	Bk. Can. Nat.	16	125	125	125	125
203	167	8	4	Bk. Montreal	314	195	199	195	198
278	253	12	4.7	Bk. N. Scotia	154	256	260	255	255
210	161½	10	4.9	Bk. Toronto	41	202	203	201	202½
16½	15	50c		Barcelona	....	15			
8½	3			Bathurst Pr.	125	4½	4	4	4
3.50	1.00			Do. (B)	27	1.25	1.10	1.10	1.10
1½	1½			Bawlf Grain	....	1½			
18½	7			Do. pref.	10	15	18½	18½	18½
4	2½			Beath & Sons	....	2½			
10	6½			Beatty Bros. A	50	9	8½	8½	8½
88½	69	6	6.8	Do. pref.	....	88			
9½	3½			Beauharnois	1094	6	5½	5½	5½
85	65	4	4.7	Belding Cort.	....	85			
102	97	7	6.9	Do. pref.	....	102			
120	110	6	5.1	Bell Telephone	1153	118	118	116½	117½
12	7½	50c		Biltmore Hats	....	10			
93	85	7	7.5	Do. pref.	....	93			
6	2			Bissell, T. E.	....	4			
29	25			Do. pref.	....	25			
6	4			Blue Ribbon	15	4½	5	4½	5
33	22	2	6.7	Do. pref.	....	30			
26	22	2	7.7	Brant. Cord. pf.	85	25½	26	25½	26
14¾	7½			Brazilian Tr.	3553	10¾	10¾	9¾	9¾
2.95	.65			Brew. & Distil.	2855	.75	.75	.65	.65
11	5¾			Brewing Corp.	6273	8½	8½	7	7½
32¾	15½			Do. pref.	1062	31	31	27¾	27¾
12	10	30c	2.5	Bright, T. G.	....	12			
75½	75½	6	8	Do. pref.	....	75½			
15¾	12	80c	5.7	Brit. Amer. Oil.	1725	13½	14	13¾	13¾
3.87	1.12			B. C. Packers	215	1.80	1.80	1.60	1.80
14	10			Do. pref.	94	13	13½	13	13½
32¼	22¾	1.50	5.5	B. C. Power A.	200	27½	27½	26½	27½
8½	4½			Do. (B)	....	5½			
22	12½	1	7.2	Bruck S. Mills.	185	15¾	15½	14	14
23½	16½	1	4.6	Building Prod.	120	21	21¾	21	21½
34	27	2	6.4	Burt, F. N.	225	31½	31½	31	31
				C					
x125	125	6		Calgary Pr.					
5½	2			Canada Bread	20	3	2½	2½	2½
50	23			Do. pref. A	15	29	35	35	35
15	8			Do. pref. B	....	8			
12	7¾			Canada Bud	540	10¾	10¾	9¾	9¾
12	4¾			Canada Cement	3993	6½	7¾	6½	6¾
53	32			Do. pref.	143	38½	40	37	38½
b29½	12½	1	6.4	Canada Dry	1700	16½	16	15	15
6½	4			Can. Forg. A.	....	4			
4	4			Do. (B)	....	4			
18	18			Canada Iron	....	18			
52	50	3	6	Do. pref.	....	50			
§*425	425	20		Canada Life					
35¾	28	1.50	4.8	Can. Malting	1315	31½	31¾	30½	30¾
22½	16½	1+10c	5.6	Can. Nor. Pr.	60	20½	20	19½	19½
102	88½	7	6.9	Do. pref.	54	100½	101	101	101
.10	.10			Can. Paving	....	.10			
4	3			Do. pref.	....	3			
140	117	8	6.5	Can. Perman.	47	123	123	122	122
3.75	.70			Can. Steamships	....	2.00			
9	2½			Do. pref.	50	5	6	5	6
27½	21½	1.60	6.1	Can. Vinegars	255	26½	26½	25½	25½
25	22½			Can. W. Cable	....	24½			
13½	5½			Do. (B)	....	10			
4	2½			Can. Bakeries	....	2½			
12	9			Do. pref.	....	9			
166	127	8	5.3	Can. Bk. Com.	211	150	151	148½	151
27	17	60c	2.7	Can. Bronze	5	22	22	22	22
109	95	7	6.8	Do. pref.	....	102			
8½	5			Can. Canners	62	5	5½	5	5
88½	75	6	7.4	Do. 1st pfd.	59	82	82½	81	81
10½	6½	30c	3.5	Do. 2nd pfd.	222	7½	8½	7½	7½
9¾	5½			Can. Car & Fdy	670	6¾	6¾	6¾	6½
16	11½			Do. pref.	232	14½	14½	14	14
22½	16			Can. Celanese	160	16	16½	16	16
120	104	7	6.7	Do. pref.	110	106	105	105	105
45	30	2	5.3	Can. Convert.	....	38			
72	41	4	6.7	Can. Cottons	60	56½	60	56½	60
95	70	6	6.3	Do. pref.	31	95	95	95	95
34½	17	1-	4.4	Can. Dredge	930	21	22½	21	22½
106½	106½	7	6.6	Do. pref.	....	106½			
65	65	6	9.2	Can. Fairb. pf.	....	65			
25	9	1	4.6	Can. For. Inv.	200	20	22	21	21½
105	80	8	7.6	Do. pref.	....	105			
160	124½	3	1.9	Can. Gen. Elec.	....	158½			
63	59	3.50	5.6	Do. pref.	15	62½	62½	62	62½
16½	4	40c		Can. G. Inv. T.	....	6½			
76	54½	6	8.7	Can. Hyd. El. p.	110	65½	69	66½	68¾
20½	5½			Can. Ind. Alc.	4890	8¾	9	8	8
19¾	5			Do. (B)	1077	7¾	8½	7½	7¾
170	148	3.50	2.1	Can. Indust. B	....	164			
142	128	7	4.9	Do. pref.	....	140½			
†5.00	3.95			Can. Int. I. Tr.					
20	20			Do. pref.	....	20			
40	19	1	5	Can. Lt. & Pr.	50	19	20	20	20
2½	1½			Can. Locomo.	....	2			
b4½	1½			Can. Marconi	1100	2	2	1¾	1¾
18	10	50c	3.7	Canadian Oil	85	14	14	13	13
120	92	8	6.9	Do. pref.	25	115	115	115	115
18½	11¾			Can. Pacific	4751	13½	13¾	12¾	12¾
3	1¾			Can. Vickers	....	1¾			
6½	4½			Do. pref.	....	4½			
§49	46	2		C. West'ghouse	....	49			
11½	5¾	20c	3.1	Can. Wineries	85	6½	6½	6½	6½
16½	13	1.50	10.3	Can. Wire Box.	35	14	14½	14½	14½
8½	7			Catelli Mac (A)	60	8	8½	8½	8½
2½	1			Do. (B)	210	1½	1½	1	1
§245	245	8		Cent. Can. Loan					
9	7½	60c	7.1	Champ. Oil, pf.	262	8½	8½	8	8½
3.50	1.10			Chem. Research	1575	1.30	1.31	1.20	1.28
14¾	2¾			City Gas & Elec	40	3½	3½	3½	3½
.80	.35			Claude Neon	....	.40			
11	6			Cockshutt Plow	1205	6½	6¾	6	6
1.50	.30			Comm. Alcohol	410	.70	.70	.50	.50
2	1¾			Conduits	....	1½			
†94	84			Do. pref.					
12½	7	25c		Cons. Bakeries	260	8½	8½	7¾	8½
1.50	.40			Cons. Indust.	....	.50			
3½	1¾			Cons. Paper	946	1¾	1¾	1¾	1¾
11½	6			Cons. Press	75	7	8	8	8
30	24			Cons. Sand, pf.	....	24			
170½	118	1		Cons. Smelters	568	138¾	140	130	130
200	165	10	5.1	Consumers' Gas	173	188	200	188	190
41½	23			Corr. P. Box, p.	....	41½			
10½	5½			Cosgrave Brew.	20	8½	8	7¾	7¾
11¾	7½			Cosmos Imp.	185	11	11½	11	11
95	80	3.50■	3.8	Do. pref.	30	90½	91	90	90
4½	2			Crown Dom. Oil	35	2½	2½	2	2
22	16	4		Crow's N. Coal.	27	20	22	20	20
				D					
1.10	1.00			David & Fre. B	3	1.10	*1.10	1.10	1.10
2¾	2			Do. (A)	90	2½	2¾	2¾	2¾
4¾	1			De Havilland	....	2			
30	22			Do. pref.	....	24			
†9	5			Disher Steel					
6¾	6			Do. pref.	....	6¾			
26¾	8¾			Distill-Seagram	13180	15½	16½	13¾	13½
186	133	10	6	Dom. Bank	77	168	170	166	170
37	25½	2	6.4	Dom. Bridge	710	31½	32	31	31
92	10			Dom. Coal	10	80	79	79	79
28	18¾			Dom. Engineer	5	22	21	21	21
99	81	5	5.2	Dom. Glass	....	97			
130	113	7	5.4	Do. pref.	....	130			
.90	.25			Dom. Motors	....	.25			
1½	1			Dom. Pr. Stubs	....	1½			
80	80	7		Dom. Rubber, p	....	80			
5¾	2½			Dom. St. & C.B.	1177	3¾	3¾	3¾	3¾
23	17	1.20	6.9	Dom. Stores	861	17¾	18	17	17
5½	2			Dom. Tar & Ch.	....	2¾			
29½	15			Do. pref.	....	22½			
88	67	5	5.9	Dom. Textile	252	84½	84½	83	84
140	112	7	5.4	Do. pref.	17	130	130	130	130
7½	3½			Dryden Paper	95	4½	4½	4	4
4	2			Duff. Paving	....	2			
40	18			Do. pref.	....	25			
				E					
3	3			East. Koot. Pr.	....	3			
†97	94½			Do. pref.					
5	2			East. Dairies	15	2½	3	3	3
13	6			East. Steel	25	6½	8	8	8
80	72	7	9.7	Do. pref.	....	72			
‡34	34			East. Theatres					
75	66½	7	10	Do. pref.	....	70			
5½	1½			Easy Washer	90	2	2¾	2½	2¾
15	10½	18¾c		Economic Inv.	5	12	11	11	11
†15	15			Edmonton D'y					
†80	78¾	6.50		Do. pref.					
3½	1			Enam. & Heat.	....	1			
16	9½			Eng. Electric	20	10	10	9½	9½
6	4			Do. (B)	70	4½	4½	4½	4½
				F					
18	10			Fam. Players	....	12			
17	10			Do. Vot. Tr.	....	12½			
32½	11½	1+25c	4.5	Fanny Farmer	117	29½	28	28	28
38	28	2.40	6.5	Do. pref.	....	36¾			
25½	15	50c	2.6	Ford Motors A.	2374	20½	20½	18½	18¾
3¾	1½			For. Pr. Secs.	....	1½			
16½	10	25c		Foundation Co.	....	12			
12½	3			Fraser Cos.	66	5	4½	4	4
9	2½			Do. Vot. Tr.	95	3½	3½	3½	3½
3	3			Frost Steel	....	3			
47	30			Do. pref.	....	45			
				G					
6	3½			Gen. St. Wares	235	3¾	3¾	3¾	3¾
46	14½			Do. pref.	20	37	35	33	33
136	90	5	4	Goodyear Tire.	95	125	126	124	124
115	106	7	6.2	Do. pref.	91	113	114	111½	113
3¾	1			Gt. W. Saddlery	....	1			
21½	11			Do. pref.	314	15	21½	16½	21½
11½	5½			Gurd, Chas.	25	6	6	5½	5½
§100½	100	7		Do. pref.					
8¾	4½			Gypsum, Lime	625	5½	5½	4¾	5
				H					
9½	4½			Ham. Bridge	25	5	5½	5½	5½
37	21			Do. pref.	70	30	25	24½	25
21	14			Ham. Cot. pf.	....	20½			
2¾	1			Ham. U. Theat.	....	1			
56	46	7	14	Do. pref.	....	50			
‡50	50			Hillcrest Coll.					
‡91	91			Do. pref.					
8¾	5¾			Hinde & Dauch	35	8	7¾	7¾	7¾
12	12			Holt Renfrew	....	12			
50	35			Do. pref.	....	39			
1.60	.25			Honey Dew	50	.30	.30	.25	.25
11	3			Do. pref.	....	3			
11	4			H. Smith Pap.	340	6½	7½	6½	7½
73	35			Do. pref.	90	61½	61½	61½	61½
26	24	2	8	Humberstone S.	....	25			
18	9	50c	5	Hunts (A)	10	10	10	10	10
16	8½	50c	5	Do. (B)	....	10			
95	70	6	8	Huron & E. Mt.	5	81	78	75	75
15	13			Do. 20% pd.	17	15	13	13	13
8	4½			Hydro Electric	....	4½			
				I					
180	141	10	5.8	Imperial Bank	87	173	174½	173	173½
15	12½	50+15c	4.5	Imperial Oil	5686	14½	14¾	14½	14½
14	10½	52½c	4.7	Imperial Tob.	4406	11½	11½	11	11
17½	14			Inter. City Bak.	....	17½			
§5½	5½	4		Inter'c Coal	....	5½			
100	100	8	8	Do. pref.	....	100			
b9½	3¾			Int. Hyd. E. A.	1700	4½	4½	4½	4½
5	4½			Int. Metal Ind.	15	4½	4½	4½	4½
40	40			Do. pref.	20		40	40	40
110½	99	7	6.6	Inter. Mill., pf.	77	105½	107	102	107
99	84	6	6.3	Do. Series A.	....	94½			
29	21½	20c		Inter. Nickel	11917	24¾	24¾	23½	23¾
5	3			Inter. Paints	15	4	4	4	4
b6½	2			Int. Pa. & P. A	200	2½	2½	2½	2½
b3½	1½			Do. (B)	....	1½			
b2¾	1			Do. (C)	1400	1½	1½	1½	1½
b24½	8½			Do. pref.	2600	11	11¾	9¾	9¾
30½	19½	1.56	5.6	Inter. Pete.	2310	24¾	28½	27¾	27¾
4	2			Inter. Power	15	3½	3½	3½	3½
28½	14			Do. pref.	10	28	26	26	26
13½	13½			Inter. St. Rly. A	....	13½			
2½	2½			Do. (B)	....	2½			
6½	2½			Int. Util. (A)	95	3	3	2¾	3
1.50	.50			Do. (B)	405	.50	.60	.50	.55
				J					
†40	40	1		Jam. Pub. Ser.					
103	97	7	6.8	Do. pref.	....	103			
				K					
5½	4			Kelvinator	50	4½	4	4	4
95	80	7	7.5	Do. pref.	....	93			
				L					
15	10			Lake of Woods	570	11	11	11	11
73	56			Do. pref.	32	66	67½	67	67½
82	75	6	7.3	Landed Bank.	....	82			
5	1			Langley's	....	4			
63	25	7	12.5	Do. pref.	15	54½	56	56	56
59	47½	3	5.2	Laura Secord	45	55½	59	58	58
3½	1½			Lindsay, C. W.	....	2			
40	35			Do. pref.	....	38			
18½	14	1	5.8	Loblaw (A)	2640	17½	17¾	16¾	17
17¾	13½	1	5.9	Do. (B)	23	16¾	17	16¾	17
				M					
8	3½			MacKin. Steel	45	5	3½	3½	3½
†95	90			Do. pref.					
4	3½			Manitoba Pr.	....	3½			
5.25	.50			Maple Leaf	15	.65	.65	.65	.65
10¾	5			Do. pref.	5	9½	9	9	9
3	1			Do. (B)	....	1			
12½	12½			Marcus Loew's	....	12½			
85	60	7	8.2	Do. pref.	....	85			
8½	3¾			Massey-Harris	2489	4	4½	4	4
14¾	10½	80c	5.9	McColl Fron.	1612	13¾	13¾	13½	13½
91½	71½	6	6.7	Do. pref.	148	88	90	88	89½
17	10			Melchers (A)	480	11	11½	11	11
11	5			Do. (B)	55	5	5	5	5
‡35	35			Mercury Mills					
18	15			Do. pref.	....	15			
16	15			Mitchell, J. S.	....	15			
100	100	7	7	Do. pref.	....	100			
10½	3			Mitchell, Robt.	80	5½	5½	5	5½
8	5½			Monarch Knit.	....	5¾			
72	45	1▲		Do. pref.	10	70	72	72	72
45	25			Montreal Cot.	....	37			
87	67	7	8.9	Do. pref.	5	80	78	78	78
¼	¼			Montreal Exhib.	....	¼			
4	3½			Mont. Is. Pr.	....	4			
39½	30½	1.50	4.5	Mont. L. & Pr.	5756	33½	33½	32	32½
47	38	2.50	5.8	Montreal Loan	....	43			
5½	5½			Mtl. Ref. & S. p	....	5½			
55	50	3.20	6.1	Montreal Tele.	....	53½			
125	93	9	9.4	Montreal Trams	30	96	96	94	95
17½	11			Moore Corp.	25	13½	13¾	13½	13¾
120	96	7	6.4	Do. pref. (A)	....	109			
130	109½	7	5.8	Do. pref. (B)	....	120			
3	3			Muirheads	....	1½			
6½	6			Do. pref.	....	6			
				N					
28¾	23½	1.60	5.6	Nat. Breweries.	1573	28¾	28¾	28½	28½
36	31	1.75	4.9	Do. pref.	101	36	36	36	36
118	90½	7		Nat. Groc. pf.	....	115			
20¾	14½			N. Sew. Pipe A	45	19	19½	19	19
18½	12½			Nat. Steel Car	735	14½	14	13	13
185	148	8	4.8	National Trust.	8	160	165	165	165
8½	8			Niag. W. Weav.	....	8			
38	31	3		Do. pref.	....	38			
1.50	.75			North Star Oil	....	.75			
3.00	1.10			Do. pref.	50	1.10	1.10	1.10	1.10
				O					
209	180	8	4.1	Ogilvie Flour	....	195			
140½	125	7	5.1	Do. pref.	10	137½	137½	137½	137½
9	5¾			Ont. Eq. 10% pd	10	6	6	6	6
105	102	6	5.8	Ontario Loan	....	104			
7	2½			Ont. Silknit	....	2½			
45	31			Do. pref.	....	37			
10	10			Ont. Steel	....	10			
.90	.25			Orange Crush	125	.50	.40	.35	.40
9¾	5			Do. 1st pref.	15	9¾	7	7	7
1.10	.30			Do. 2nd pfd.	....	.35			
5	5			Ottawa Car	....	5			
92	79	6	6.7	Ott. L. H. & Pr.	25	86	89	85	89
103	92	6.50	6.5	Do. pref.	10	100	100½	100½	100½
20	5	50c		Ott. Traction	....	15			
				P					
75	55	3	4.4	Page Hersey	120	68	68¾	67	67
30	24			Paton Mfg.	....	24			
90	90	7	7.8	Do. pref.	....	90			
62	47	3	5	Penmans	....	60			
102	90	6	5.9	Do. pref.	....	102			
20½	14	1	5.1	Photo Eng.	240	18	19½	19½	19½
66	60	7	10.8	Porto Rico Pr. p	....	65			
15	7½			Power Corp.	395	10	10	9½	10
85	51	6	8.2	Do. pref.	70	75½	75	73½	73½
2	¾			Prairie C. Oil	....	¾			
20½	12			Pressed Metals	60	13	13	12½	12¾
6.00	.95			Price Bros.	955	3.00	3.00	2.87	2.87
37½	7			Do. pref.	....	27½			
				Q					
20	15	1	6	Quebec Power	112	16	16½	16	16½
				R					
§95	85	3		Real Estate L'n	....	85			
6½	2			Regent Knit.	110	4	4½	4	4
5	3			Reliance Grain	105	5	4½	4½	4½
24½	19	1*	4.7	River. S. Mills.	20	21½	23	21½	23
9½	4½			Rogers Majest.	265	7½	8	7¾	7¾
168	129½	8	5.1	Royal Bank	107	156	157½	155½	157
17	17			Russell Motor	....	17			
48	40	4	8.6	Do. pref.	....	46½			
				S					
3	2½			Sarnia Br. (A)	....	3			
1¾	1¾			Do. (B)	....	1¾			
10½	5			Serv. Station	....	5			
60¾	32½			Do. pref.	....	49½			
24½	17½	50c	2.6	Shawinigan	1338	19	19½	19	19
21	12½			Sher. Wms.	175	14	14½	12½	12½
87½	56			Do. pref.	3	83	83	83	83
10	6¾			Simon & Son	20	7½	7½	7½	7½
100	65			Do. pref.	....	100			
74½	43	1		Simpson, Ltd.	110	69	69½	69	69
17	10			Do. (A)	45	12	11	11	11
8	4			Do. (B)	....	6½			
97	86	6	6.2	Simpson, R., pf.	5	96	97	97	97
16	11	80c	6.2	So. Can. Pr.	20	13	13	13	13
90½	72	6	6.7	Do. pref.	70	89½	90½	89½	90½
3½	1½			St. Law. Corp.	925	1¾	2	1¾	1¾
11¾	5½			Do. (A)	65	7½	7	7	7
40	33	1.50	3.7	St. Law. Flour.	175	36	40	38	40
101	96	7	7	Do. pref.	....	100			
26	12			St. Law. Pap. p	393	18	17	15½	15½
9	5			Stand. Chem.	....	6			
4½	1½			St. Pav. & Mat.	1	1¾	1¾	1¾	1¾
25	17½			Do. pref.	....	19			
11½	5			Stand. Steel	....	5½			
‡30	30			Do. pref.					
38	28	1.20	3.6	Steel of Can.	1362	33	33¾	33	33½
39	31	1.75	4.9	Do. pref.	110	34¾	36	35½	35½
3	2			Sterling Coal	....	2			
9	4½			Stop & Shop	24	6	6	6	6
*483	483			Sun Life Assur.	....	483			
2¾	2			Supersilk H.	....	2½			
65	50	3.50	6.4	Do. pref.	15	57	55	55	55
29¾	16	1	4.2	Sup. Pete. ord.	165	24½	24	23	23½
28	16½	1	4.4	Do. com.	....	22½			
107	99	7	6.7	Do. pref.	7	105	105	105	105
				T					
28	20			Tamblyn	....	20			
106	98	7	6.7	Do. pref.	5	104	105	105	105
7	6	25c		Thayers	119	6¾	6½	6	6
42	18	3.50	9.2	Do. pref.	....	38			
11½	8	40c	5	Thrift Stores	....	8			
25	22	1.62½	7	Do. pref.	....	23			
13½	6½			Tip Top Tailors	....	7			
80½	63½	7	10.3	Do. pref.	25	68	68	68	68
†22	10			Tooke Bros.					
15	12			Do. pref.					
28	17	1	3.6	Tor. Elevators	....	28			
102	89½	7	6.9	Do. pref.	30	101	101	100	101
120	105	6	5.4	Tor. Gen. Tr.	....	110			
110	100	6	5.6	Toronto Mtge.	....	107			
1.10	.10			Traymore	....	.15			
4½	1			Do. pref.	....	1			
125	116	7	5.6	Tuckett Tob. p.	....	125			
8½	1¾			Twin City	55	3½	4½	4	4½
b39	6			Do. pref.	....	24½			
				U					
6½	3½			Union Gas	928	3¾	3¾	3¾	3¾
3.50	.90			United Distill.	445	1.00	1.00	.90	.90
3	3			United Fuel	....	3			
20½	9½			Do. pref.	10	14½	13	13	13
12½	12½			Un. Amuse. A	....	12½			
‡7½	7½			Do. (B)	....	7½			
33	17	2	6.1	United Secs.	....	33			
6½	3			United Steel	380	3	3½	3	3
				V					
5	1			Viau Biscuit	....	1			
23	.17			Do. pref.	....	17			
				W					
37	20			Wabasso Cot.	....	25			
57¾	20			Walker-Good.	3794	28	28	24½	24½
17¾	13¾	1	6.7	Do. pref.	860	15½	15½	15	15
10.05	3.90			Walkerville Br.	2135	8.25	8.25	7.50	7.50
4	1			Waterloo Mfg.	....	1			
8½	6			West. C. Flour	10	6½	6½	6½	6½
62	48	3	6	Do. pref.	....	50			
34	30			West. Grocers	....	32			
95	85	7	7.4	Do. pref.	....	95			
47¾	28	1	2.2	Weston Bisc.	3385	45	47¾	44¾	47½
110	88½	7	6.4	Do. pref.	71	108	110	108	109
5	2			Whittall Can	25	3½	2	2	2
65	35	6.50	13	Do. pref.	....	50			
2	2			Windsor Hotel	2	2	2	2	2
18	5½			Do. pref.	....	7			
4	1½			Winnipeg Elec.	210	2½	2½	2½	2½
12	4			Do. pref.	....	10¾			
50	20			Woods Mfg. p.	12	40	44	44	44
				Z					
6½	4			Zimmerknit, c.	....	5½			
75	50	7	9.3	Do. pref.	17	75	75	75	75

§ Quotations for 1933. No sales recorded in 1934 to date.
x Quotations for 1932. ‡ Quotations for 1930.
† Quotations for 1931. b New York Quotations.
* See "Unlisted Stocks" also.
• Plus 25c. on arrears payable Oct. 1.
• Plus 75c. extra paid July 31.
▲ On account of arrears.
■ Plus 87½c on arrears paid Aug. 15.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Acme Glove, pref.	$3.25	81¼c	Sept. 15	Aug. 31
Agnew-Surpass, pref.	7%	1¾%	Oct. 1	Sept. 15
Associated Breweries, com.	...	25c	Oct. 1	Sept. 15
Do., pref.	7%	1¾%	Oct. 1	Sept. 15
Brantford Cordage, pref.	8%	2%	Oct. 15	Sept. 20
Bralorne Mines	60c	15c	Oct. 15	Sept. 29
British American Oil (15)	80c	20c	Oct. 1	Sept. 15
Bruck Silk Mills	$1	25c	Oct. 15	Sept. 15
Bell Telephone	$6	$1.50	Oct. 15	Sept. 22
Belding-Corticelli, pref.	7%	1¾%	Sept. 15	Aug. 31
Brazilian Traction, pfd.	$6	$1.50	Oct. 1	Sept. 15
B. C. Power, A	$1.50	38c	Oct. 15	Sept. 30
Bright, T. G.	30c	7½c	Sept. 15	Aug. 31
Do., pref.	$6	$1.50	Sept. 15	Aug. 31
Bank of Nova Scotia	12%	3%	Oct. 1	Sept. 15
Can. Perm. Mortgage	$8	$2	Oct. 1	Sept. 15
Canadian Cottons, com.	$4	$1	Oct. 1	Sept. 15
Do., pref.	$6	$1.50	Oct. 1	Sept. 15
Can. General Electric	$3	75c	Oct. 1	Sept. 15
Do., pref.	$3.60	87½c	Oct. 1	Sept. 15
Can. Foreign Investment	$1	25c	Oct. 1	Sept. 20
Do., pref.	8%	2%	Oct. 1	Sept. 20
Canada Northern Power, com.	$1	25c	Oct. 25	Sept. 29
Do., pref.	7%	1¾%	Oct. 15	Sept. 29
Can. Wire. Box., A (on arrears)	...	25c	Oct. 1	Sept. 15
Canada Malting (27)	$1.50	37½c	Sept. 15	Aug. 31
Calgary Power, com.	$6	$1.50	Oct. 1	Sept. 15
Central Canada Loan	$8	$2	Oct. 1	Sept. 21
Canadian Canners, 1st pref.	$6	$1.50	Oct. 1	Sept. 15
Do., 2nd pref.	30c	7½c	Oct. 1	Sept. 15
Canadian Celanese, pref.	$7	$1.75	Sept. 30	Sept. 14
Do., on arrears	...	75c	Sept. 30	Sept. 14
Consumers' Gas	10%	2½%	Oct. 1	Sept. 15
Dome Mines	$2	50c	Oct. 20	Sept. 29
Dominion Glass	$5	$1.25	Oct. 1	Sept. 15
Do., pref.	$7	$1.75	Oct. 1	Sept. 15
Dominion Rubber, pref.	$7	$1.75	Sept. 29	Sept. 20
Dominion Stores	$1.20	30c	Oct. 1	Sept. 15
Dominion Textile	$5	$1.25	Oct. 1	Sept. 15
Do., pref.	$7	$1.75	Oct. 15	Sept. 29
Dominion Bank	$10	$2.50	Oct. 1	Sept. 20
Dominion Bridge	$2	50c	Nov. 15	Oct. 31
Economic Invest. Trust	...	18¾c	Oct. 1	Sept. 20
Falconbridge Nickel	...	10c	Sept. 27	Sept. 12
Greening Wire, pref.	7%	1¾%	Oct. 1	Sept. 15
Fanny Farmer	$1	25c	Oct. 1	Sept. 15
Do., pref.	$2.40	60c	Oct. 1	Sept. 15
Goodyear Tire	$5	$1.25	Oct. 1	Sept. 15
Do., pref.	$7	$1.75	Oct. 1	Sept. 15
Gurd, Chas., pref.	$7	$1.75	Oct. 2	Sept. 15
Hamilton United Theat., pref.	$7	$1.75	Sept. 29	Aug. 21
Huron & Erie Mtge. (No. 188)	6%	1½%	Oct. 1	Sept. 15
Hiram Walker-G. & W., pref.	$1	25c	Sept. 15	Aug. 24
Imperial Tobacco, ord.	7%	1¾%	Sept. 29	Sept. 14
Do., pref.	6%	3%	Sept. 29	Sept. 14
International Nickel, com.	...	15c	Sept. 29	Aug. 30
International Nickel, pref.	7%	1¾%	Nov. 1	Oct. 2
Inter. Proprietaries A	$2.60	65c	Sept. 15	Aug. 22
Do., participation	...	15c	Sept. 15	Aug. 22
Investment Foundation, pref.	$1.50	37c	Oct. 15	Sept. 29
Do., on arrears	...	13c	Oct. 15	Sept. 29
Jamaica Public Service, com.	$1	25c	Oct. 1	Sept. 14
Do., pref.	$7	$1.75	Oct. 1	Sept. 14
Do., pref.	7%	1¾%	Oct. 1	Sept. 14
Lake Shore Mines	$2	50c	Sept. 15	Sept. 1
Do., bonus	...	50c	Sept. 15	Sept. 1
Montreal C. & D. Bank	$12	$3	Oct. 1	Sept. 15
Montreal Loan & Mortgage	$2.50	62½c	Sept. 15	Aug. 31
McColl-Frontenac, com.	80c	20c	Sept. 15	Aug. 15
Montreal Cottons, pref.	$7	$1.75	Sept. 15	Aug. 31
Mitchell, J. S., pref.	$7	$1.75	Oct. 1	Sept. 15
Monarch Knitting, pref.	...	*$1	Oct. 1	Sept. 15
National Trust	$8	$2	Oct. 1	Sept. 20
National Grocers, pref.	7%	1¾%	Oct. 1	Sept. 20
National Breweries	$1.60	40c	Oct. 1	Sept. 15
Do., pref.	$1.75	44c	Oct. 1	Sept. 15
Niagara Wire Weaving, pref.	$3	75c	Oct. 1	Sept. 15
Northern Ont. Power	$2	50c	Oct. 25	Sept. 29
Do., pref.	$6	$1.50	Oct. 25	Sept. 29
Ontario Loan & Debenture	12%	3%	Oct. 1	Sept. 15
Ottawa Traction	...	50c	Oct. 1	Sept. 15
Ogilvie Flour, com	$8	$2	Oct. 1	Sept. 21
Page-Hersey Tubes	$3	75c	Oct. 1	Sept. 20
Do., pref	$7	$1.75	Oct. 1	Sept. 20
Porto Rico Power, pref.	$7	$1.75	Oct. 1	Sept. 15
Pioneer Gold of B. C.	80c	20c	Oct. 1	Sept. 1
Power Corp., pref.	$6	$1.50	Oct. 15	Sept. 29
Do., 2nd pref.	$3	75c	Oct. 15	Sept. 29
Premier Gold Mines	12c	3c	Oct. 15	Sept. 14
Reliance Grain, pref.	6½%	1⅝%	Sept. 15	Aug. 31
Riverside Silk, A	$1	25c	Oct. 1	Sept. 15
Do., on arrears	...	25c	Oct. 1	Sept. 15
South Amer. Gold & Plat.	...	10c	Sept. 25	Sept. 15
Sylvanite Gold	20%	5%	Sept. 30	Sept. 1
Siscoe Gold Mines	12c	3c	Sept. 29	Sept. 15
Do., bonus	...	2c	Sept. 29	Sept. 15
Southern Can. Power, pref.	$6	$1.50	Oct. 15	Sept. 20
Standard Fuel, pref.	6½%	1⅝%	Oct. 1	Sept. 15
Supertest Petrol. ord. & com.	$1	25c	Oct. 1	Sept. 14
Do., pref., A	$7	$1.75	Oct. 1	Sept. 14
Do., pref., B	$1.50	37½c	Oct. 1	Sept. 14
Toronto Mortgage	$6	$1.50	Oct. 1	Sept. 15
Thrift Stores	40c	10c	Oct. 1	Sept. 15
Do., 1st pref.	$1.62½	40⅝c	Oct. 1	Sept. 15
Do., 2nd pref.	70c	17½c	Oct. 1	Sept. 15
United Grain Growers	...	$1	Sept. 15	July 31
United Gold Equities	10c	2½c	Oct. 25	Oct. 15
Do., bonus	...	2½c	July 16	July 10
West. Canada Flour, pref.	$3	75c	Sept. 15	Aug. 31
Wright-Hargreaves Mines	40c	10c	Oct. 1	Sept. 10
Do., extra	...	5c	Oct. 1	Sept. 10
Whittall Can, pref.	$6.50	†$1.62½	Oct. 1	Sept. 15
Western Grocers, pref.	7%	1¾%	Oct. 15	Sept. 20

Dividend Rate Increased—
Pioneer Gold of B.C., 60c to 80c per annum, Oct. 1.

* On arrears.
† For quarter ended Dec. 31, 1932.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)

September 11, 1934

	Bid	Asked
Industrial Stocks:		
Acadia Sugar com.	2.75	2.95
Acadia Sugar pfd.	4.60	....
Acme Glove pfd.	25.25	27.00
Allens London pfd. bonus com.	34.50	....
Allens St. Cath pfd. bonus com.	35.50	....
Allens Toronto pfd. bonus com.	24.00	....
Andian National	35.50	36.50
Atlantic Sug. pfd.	89.00	91.75
B. C. P. & P. pfd.	7.00	11.00
Burns pfd. bon. c.	2.50	3.25
Can. Dom. Sugar	47.00	48.00
Can. Machy. com.	1.50	1.75
Can. Packers com.	34.00	35.50
Can. Packers pfd.	99.25	101.00
Can. Starch com.	9.00	....
Can. Starch pfd.	81.50	....
Can. W. & Cable pfd. WW	69.00	71.00
Can. Indust. A	160.50	....
Can. Indust. B	159.00	161.00
Can. Indust. pfd.	140.75	142.00
Can. Westinghouse	46.00	48.50
Chase, pfd. bon. c.	21.00	....
Dom. F. & Steel c.	8.75	9.75
Dom. F. & Steel p.	63.00	68.00
Dom. Manuf. pfd.	66.00	....
Dom. Woollens c.	1.75	2.25
Dunlop Tire pfd.	71.00	74.00
East. Dairies pfd.	10.00	12.00
Federal Grain c.	1.50	2.50
Federal Grain p.	16.00	19.00
For. Power Sec. p.	10.00	12.00
Freiman, A. J., pf.	55.00	60.00
Gen. Stl. Wares p.	33.00	35.00
Goderich Elevator & Transit	5.00	6.25
Greening Wire pf.	72.00	75.00
Guardian Realty p.	12.00	....
Guelph Carpet p.	87.00	89.00
Guelph Carpet c.	10.00	12.00
Harding Carpets Units	32.25	....
Hayes Wheels pfd.	8.00	11.00
Highland Dairy c.	3.50	4.25
Highland Dairy p.	66.00	....
Inter City Bak. c.	17.00	....
Int. Met. Indust. p.	30.00	40.00
Inter. Paints pfd.	15.50	18.00
Inter. Propriet. A	35.25	37.00
Loew's Lond. pfd.	3.75	4.25
Maclaren Pwr. c.	15.00	16.75
Mans. Theat. pfd.	24.50	28.00
Massey-Harris pfd.	18.50	19.50
Mt. Royal Hotel p.	1.50	2.50
Nat. Grocers com.	4.25	4.75
New Meth. Laund. pfd. bonus	51.00	....
Niag. W. Weav. pf.	36.50	....
Para. Kitchener p.	36.00	....
Para. Oshawa pfd.	42.50	....
Perfection Pete. pf.	15.00	20.00
Prov. Paper pfd.	80.50	82.00
Rel. Grain pfd.	62.00	....
Rob. Cons. Cone	6.50	7.50
Rolland Paper c.	8.25	10.00
Rolland Paper pfd. WW	75.00	77.50
Ruddy, E. L., pfd.	14.00	16.00
Standard Fuel pfd. bonus	92.00	....
Supertest Pet. B p.	23.50	25.00
Thayers com.	6.00	7.00
Thayers pfd.	....	40.00
Western Grain pfd. bonus	3.00	6.00
Wood, A. & James pfd.	22.00	26.00

	Bid	Asked
Insurance Stocks:		
British Amer.	31.00	....
Canada Life	434.00	....
Canadian Fire	55.00	58.00
Confed. Life 20% pd.	123.00	126.00
Cont. Life 20% pd.	36.00	40.00
Crown Life	98.00%	....
Dominion Fire	95.00	....
Dominion Life 50% pd.	170.00	....
Dom. of Can. Gen. Ins.	98.00	104.00
Empire Life 25% pd.	10.00	11.50
Excelsior Life 30% pd.	74.00	78.00
Federal Fire 25% pd.	36.50	....
Great-W. Life	335.00	....
Guar. of N. A. fully pd.	215.00	....
Guar. of N. A. 20% pd.	43.00	....
Imperial Life	280.00	....
Manuf. Life	222.00	....
Monarch Life 10% pd	19.00	20.00
Nat. Life 25% pd.	53.00	....
Sov. Life 25% pd.	....	17.00
Sun Life	300.00	325.00
West. Assur. com.	27.00	32.00
West. Assur. pfd.	32.00	....
West. Empire Life	....	20.00
West. Life 20% pd.	9.00	12.00
Trust & Loan Stocks:		
Brit. Mtge. & Tr.	130.00	140.00
Chartered Trust	65.00	70.00
Lond. & West. Tr.	35.00	39.00
Premier Trust	....	92.00
Sec. Loan & Sav.	99.00	....
Sterling Trust	....	45.00
Traders Fin. B pfd.	49.00	....
Trusts & Guar.	39.00	41.50
Vic. Tr. & Sav.	120.00	128.00
Waterloo Tr. & Sa.	78.00	....
Investment Trust Shares:		
Can. Gen. Invest.	5.05	5.25
Can. Investors	4.15	5.50
Can. Int. Inv. Tr. Units	18.50	....
Can. Invest. Fund	3.20	3.40
Cons. Div. Standard Sec. Units	10.00	12.00
Debent. & Sec. p.	21.00	....
Dom. & Anglo Inv. Units	171.00	....
Dom. Scottish Inv. Units	22.00	25.50
Invest. Foundation Units	35.00	36.50
Sec. Holding Units	10.50	12.25
United Corpns. A	9.85	12.00
United Corpns. B	2.50	....
Power Issues:		
Calgary Power pf.	87.00	89.00
Can. L. & P. com.	20.25	....
Can. W. Nat. Gas L.H.&P. pfd.	91.75	93.00
Great Lakes P. pf.	40.00	....
Marit. T. & Tl. pfd.	12.75	13.75
N. B. Tele. com.	9.75	10.75
N. S. L. & P. com.	42.50	....
N. S. L. & P. pfd.	87.50	....
Recent London Quotations:		
Brit. Col. Tele. pfd.		$105
Brew. & Distillers		3s. 4½d.
Can. & For. Secs.		4s. 6d.
Can. Collier A inc. stk.		38
Do., B		7½
Can. N. W. Land		£1½
Can. West. Lumber		2s.
Hudson's Bay		25s.
Do., pref.		102s. 6d.
Internat'l Holdings		$1¾
Nfld. Pr. & Pap. deb. stk. B5½%		103
Trust & Loan (15s. pd.)		3d.

Listed Bond Quotations

Week Ending September 10, 1934

	Int. Rate	Due	Yield	Latest Bid	High	Low	Range 1934 High	Low
Mtl. L.H. & P. debs.	3	1939	3.73	47	47⅛	47	47¼	43
War Loan	5	1937	2.72	106.75	106.55	..	106.87	106.55

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Active Corporation Bonds

(Furnished by Royal Securities Corp., Toronto)

September 11, 1934

	Int. Rate	Due	Bid Sept. 11	Asked Sept. 11	Bid Sept. 4
Public Utility Issues:					
Beauharnois L. H. & Power	5½%	1973	100½	101½	100½
Beauharnois Power Corp.	6%	1959	66	...	66
Beauharnois Power Corp.	5%	1973	54	56	54
Bell Telephone	5%	1955	106½	108	107½
Bell Telephone	5%	1957	107½	109½	108
B. C. Power	5%	1960	99½	101	100
B. C. Power	5½%	1960	103½	104½	103½
B. C. Telephone	5%	1960	103	104½	103
Calgary Power	5%	1960	96	98	96
Canada Northern Power	5%	1953	96	98	96
Cedars Rapids Mfg. & Power	5%	1953	109½	111	109½
Dominion Gas & Electric	6½%	1945	60	62	62
Duke-Price Power	6%	1966	92	94	90½
Gatineau Power	5%	1956	92	94	91½
Gatineau Power	6%A	1941	88	90	87
Gatineau Power	6%B	1941	87	89	86
International Hydro-Electric	6%	1944	49	51	53
Jamaica Public Service	5%	1950	99	101	99
Maclaren-Quebec Power	5½%	1961	100	101½	100
Manitoba Power	5½%	1951	61	63	60½
Montreal Island Power	5½%	1957	102	104	102
Montreal L. H. & Power	5%	1951	106½	108	107½
Montreal L. H. & Power	5%	1970	106½	108	107½
Montreal Public Service	5%	1942	105	107	105
Montreal Tramways	5%	1955	76	78	77
Montreal Tramways	4½%	1955	70½	72½	70
Montreal Tramways	5%	1941	100	101½	100
National Light & Power	6%	1949	84	86	83
N. B. Power	5%	1937	70	72	70
Northwestern Utilities	7%	1938	99	101½	99½
N. S. Light & Power	5%	1958	97½	100	97½
Ottawa Light, Heat & Power	5%	1957	103	104½	103
Ottawa Valley Power	5½%	1970	105	106½	105
Power Corp.	4½%	1959	76	78½	76
Provincial Light & Power	5%	1946	105	107	105
Quebec Power	5%	1968	99	101	99
Rio de Janeiro T. L. & Power	5%	1935	101½	103	101½
Shawinigan Water & Power	6%	1937	101½	103	101½
Shawinigan Water & Power	4½%	1970	92	94	92
Shawinigan Water & Power	5%	1970	99	101	99
Southern Canada Power	5%	1955	103	105	103½
United Securities	5½%	1952	78½	81	78
West Kootenay Power	5%	1956	104½	106	104½
Western Power Co.	5%	1949	102½	104½	102½
Winnipeg Electric	5%	1935	93	95	92½
Winnipeg Electric	6%	1954	48	50	48
Industrial and Realty Issues:					
Abitibi Pulp & Paper	5%	1953	27	29	28½
Abitibi Pulp & Paper C.O.D.'s	5%	1953	21½	23½	23
Acadia Sugar	6%	1946	102	104	102
Alberta Pacific Grain	6%	1946	77	80	77
Algoma Steel	5%	1962	15	17	15
American Sales Book	6%	1939	101	...	101
Asbestos Corp.	5%	1942	99	...	99
Atlantic Sugar	5%	1941	94½	...	94½
Balfour Building	6%	1934	40	...	36
Belding-Corticelli	5%	1936	103½	...	103
Bloor-St. George Realty	7%	1946	40	...	40
Booth Buildings	6½%	1937	98	...	98
Brandram-Henderson	6%	1936	92	...	92
British American Oil	5%	1945	103½	105	103½
British Columbia Pulp & Paper	6%	1950	66	68	66
Brown Co.	5½%	1946	41	44	45½
Burns & Co.	5½%	1948	29	32	31
Canada Biscuit	6½%	1946	20	22	20
Canada Bread	6%	1941	96	98	96
Canada Cement	5½%	1947	94½	96½	94½
Canada Paper	6%	1945	89	...	89
Canada Steamship	5%	1943	92	94	92½
Canada Steamship	6%	1941	28½	28½	27
Canadian Canners	6%	1950	104	106	103½
Canadian Consolidated Felt	6%	1940	90	...	90
Canadian Copper Refiners	6%	1945	106½	108	106½
Canadian Cottons	5%	1940	100½	...	101
Canadian Goodrich	7%	1943	47	...	47
Canadian International Paper	6%	1949	62½	64½	62½
C. P. R.	6%	1942	105	106½	107
C. P. R.	4½%	1944	90½	92	90½
C. P. R.	5%	1954	95	97	96
C. P. R.	4%	1949	90½	92	91
Canadian Rail & H. Terminals	6½%	1951	19	21	18½
Canadian Vickers	6%	1947	53½	55½	52
Consolidated Investment	4½%	1959	70	...	68½
Consolidated Paper	5½%	1961	15½	17½	16
Cosmos Imperial Mills	6½%	1944	101½	...	101½
Debenture & Security	4%	1936	75½	...	75½
Dominion Canners	6%	1940	106½	...	106½
Dominion Square Corp.	6%	1948	50	52	48½
Dominion Tar	6%	1949	85½	87½	85½
Dominion Textile	6%	1949	108½	110	108½
Dominion Woollens & Worsteds (with stock)	6%	1948	45	48	45½
Eastern Dairies	6%	1949	...	67½	69
Eaton T. Realty	5%	1949	99½	101	99½
Famous Players	6%	1948	91	93½	90½
Famous Players	6½%	1948	73½	76	71
Federal Grain	6%	1949	82	85	81
Firestone Tire	7%	1937	100	...	00
Fraser Companies	6%	1950	40	42	39½
French National Mail S.S.	6%	1952	162	...	162
Galt Brass	7½%	1941	36½	...	36½
General Brock Hotel	6%	1948	30	33	30
General Steel Wares	6%	1952	82½	84½	83
Godfrey Realty	6%	1942	38½	41	40
Great Lakes Paper	6%	1950	30½	32½	30
Gypsum Lime & Alabastine	5½%	1948	74½	76½	74
Hamilton Cottons	5½%	1948	91	...	91
Hamilton By-Products Coke	7%	1943	98	101	99
Hinde & Dauch	5½%	1948	91	...	91
International P. & P. Nfld.	5%	1968	94	96	94
Inter City Baking	5½%	1948	84	86	84
Lake St. John Power & Paper	6½%	1947	53	55	53
Lake St. John Power & Paper	6½%	1942	...	22	...
London Can. Invest.	4½%	1948	68½	...	65
London Realty	6%	1950	80	82	79
Lord Nelson Hotel	4%	1947	...	57	...
Maple Leaf Milling	5½%	1949	34	36	32
Massey-Harris	5%	1947	70	72	70½
McColl Frontenac	6%	1949	103½	105	103½
McKinnon Industries	6½%	1945	103½	...	103½
Mercury Mills	5½%	1953	...	67	...
Metropolitan Building	7%	1944	100	...	100
Minnesota & Ontario Paper	6%	1945	14½	16½	15
Montreal Coke	5½%	1957	102	104	102
Montreal Cottons	5%	1947	95	...	95
Montreal Dry Docks	6%	1948	42½	...	42½
Northern Electric	5%	1939	104½	...	104½
Nothern Ontario Building	6½%	1939	96½	...	96
Ontario Building	6½%	1943	37	40	37
Pacific Burt	6½%	1937	100	...	100
Penmans	5½%	1951	106½	...	106½
Price Bros. (Co'D.)	6%	1943	85	87½	85
Provincial Paper	5½%	1947	96	98½	96
Queen's Hotel	6%	1947	69	72	70
Reliance Grain	6%	1948	86½	...	84½
Restigouche Co.	5½%	1948	73	75	73
Richmond Bay Building	6½%	1947	87	...	87
Riordon Pulp & Paper	8%	1942	103	105	103
Ritchie Cut Stone	6½%	1948	74	...	74
Rolland Paper	5½%	1948	96	99	96
Ruddy Co., E. L.	6½%	1948	70	73	73½
St. Lawrence Flour	6%	1941	101	...	101
Shawinigan Cotton	6%	1949	88	91	88
Simpsons Ltd.	6%	1949	98½	100½	98½
Smith, Howard	5½%	1953	96	98	96
Steel Co. of Canada	6%	1940	108	...	108
Stop & Shop	6%	1947	86½	89	86½
Toronto Carpet	6%	1944	99½	...	99½
United Amusement	6%	1942	87	90	87
United Corpns.	5%	1953	73½	76	74
United Gas & Fuel	5½%	1948	88½	...	88½
United Grain Growers	5%	1948	83	85	82½
Wabasso Cotton	6%	1947	97	...	97
Wabasso Cotton	7%	1942	99½	...	99½
Windsor Hotel	6½%	1943	...	73	70
Woods Mfg.	6%	1943	86	...	86

Dominion and Provincial Bonds

Quotations furnished by A. E. Ames & Co., Toronto

September 12, 1934

Dominion of Canada Bonds

	Rate	Due	Bid	Asked	Approx. Yield
*†Dominion	5	1 Mar., 1937	106.75	107.12	2.06
†Dominion	5½	1 Dec., 1937	110.10	110.40	2.17
Dominion	5½	1 Nov., 1934	100.40	100.55	1.42
Dominion	3½	15 Oct., 1935	101.25	101.55	2.05
Dominion	4	15 Oct., 1935	101.62	102.12	2.01
Dominion	5	15 Nov., 1936	105.00	105.35	2.44
Dominion	4	15 Oct., 1939	104.75	105.25	2.89
Dominion	4½	1 Sept., 1940	107.87	108.25	2.98
Dominion	5	15 Nov., 1941	110.85	111.25	3.24
Dominion	5	15 Oct., 1943	111.87	112.25	3.41
Dominion	4½	15 Oct., 1944	108.00	108.37	3.51
§Dominion	4	15 Oct., 1943-45	103.87	104.25	3.45
Dominion	4½	1 Feb., 1946	107.75	108.25	3.62
§Dominion	4	15 Oct., 1947-52	103.75	104.10	3.62
§Dominion	4½	1 Nov., 1946-56	106.90	107.40	3.75
§Dominion	4½	1 Nov., 1947-57	106.90	107.40	3.79
§Dominion	4½	1 Nov., 1948-58	107.40	107.65	3.81
§Dominion (with talons)	4½	1 Nov., 1949-59	107.55	107.80	3.84

Dominion Guaranteed Bonds

	Rate	Due	Bid	Asked	Approx. Yield
xCan. Nat. Ry.	4½	1 Sept., 1951	109.00	109.37	3.75
*Can. Nat. Ry.	4½	1 July, 1957	108.00	108.50	3.93
Can. Nat. Ry.	5	1 Feb., 1954	113.37	113.87	3.98
xCan. Nat. Ry.	4¾	15 June, 1955	112.25	112.62	3.86
xCan. Nat. Ry.	4½	1 Feb., 1956	109.12	109.50	3.85
xCan. Nat. Ry.	4½	1 Dec., 1968	104.50	105.00	4.22
§xCan. Nat. Ry.	5	1 Oct., 1969	114.25	114.75	3.95
§xMontreal Harbor Cm.	5	1 Nov., 1969	114.50	115.50	3.92

Provincial Government Bonds

	Rate	Due	Bid	Asked	Approx. Yield
*Alberta	4½	1 Oct., 1956	93.00	95.00	4.87
Alberta	6	1 Mar., 1947	104.00	106.00	5.33
*British Col.	4½	1 Oct., 1953	93.50	95.50	4.86
British Col.	5½	1 Feb., 1945	100.50	102.50	5.19
British Col.	6	15 Feb., 1947	102.00	103.50	5.61
xManitoba	5	2 Dec., 1959	99.50	101.50	4.90
Manitoba	5½	1 Oct., 1955	102.00	104.00	5.19
Manitoba	6	1 Apr., 1947	104.50	106.00	5.35
*N. B.	4¾	15 Apr., 1960	106.50	107.50	4.27
N. B.	5	2 July, 1963	112.00	113.00	4.23
N. B.	5½	15 May, 1950	112.00	113.50	4.32
N. Scotia	4½	15 May, 1943	104.00	105.00	3.82
*N. Scotia	5	1 Mar., 1960	112.25	113.25	4.14
xOntario	4	1 June, 1962	102.75	103.50	3.80
xOntario	4½	1 Sept., 1944	107.25	108.25	3.51
Ontario	4½	1 June, 1950	106.62	107.12	3.90
xOntario	5	2 Dec., 1960	116.25	117.00	3.96
Ontario	5½	1 July, 1946	114.75	115.50	3.88
§Ont. H. C.	3½-4-5	1 Oct., 1952	99.00	99.50	3.84
xOnt. H. C.	4	1 Aug., 1957	102.25	103.25	3.79
Ont. H. C.	4¾	1 Jan., 1970	111.50	112.50	4.06
Quebec	4½	1 Aug., 1958	105.00	105.75	3.87
Sask.	5	1 Aug., 1958	93.00	95.00	5.37
*Sask.	5	1 Nov., 1959	93.50	95.50	5.33
Sask.	5½	1 Oct., 1952	98.00	100.00	5.50
Sask.	6	15 Mar., 1952	101.00	103.00	5.73

Municipal Bonds

	Rate	Due	Bid	Asked	Approx. Yield
*Calgary	5½	2 June, 1944	92	95	6.18
*Edmonton	5½	1 Nov., 1945	92	95	6.11
*Halifax	5	1 July, 1961	109	110½	4.34
Hamilton	5	1 May, 1950	108	109½	4.18
Montreal	5	1 Mar., 1945	102	103½	4.59
Ottawa	4½	1 July, 1945	103½	105	3.93
*Quebec	5	1 June, 1959	103	104½	4.69
Regina	5	1 July, 1944	83	88	6.66
St. John	5	15 Dec., 1950	106	108	4.32
*Toronto	4½	1 Jan., 1955	105½	108	3.93
Victoria	5	21 July, 1945	93	97	5.37
Winnipeg	5	1 Mar., 1944	96½	99	5.13

†Tax exempt issues. *Payable in Canada and New York.
§Yield at call price. xPayable in Canada, New York and London.

Insurance for Buyer and Seller

LLOYD'S SEEKS PROV. LICENSES ONTARIO FIRST

Negotiations Believed to Precede Formal Application

TERMS IN DOUBT

Although great secrecy prevails in insurance circles, it appears certain that the Lloyd's group of underwriters are at present negotiating with a view to making application to obtain a license to operate in Ontario. It is understood that the Ontario insurance department has not had any direct intimation of this application but that negotiations at present are being conducted direct with the attorney-general. It is said to be Lloyd's intention to apply for licenses to operate in other provinces—with the exception of Quebec in which it is already licensed—as occasion demands.

Just what terms Lloyd's are asking or those under which the Ontario Government would be willing to license them, are unknown. Presently licensed insurance companies will certainly oppose granting of the license but their arguments will doubtless be dictated by the terms of Lloyd's proposed license. Joint stock insurance companies point to the possibility of a clash between the Dominion and the province should Lloyd's be licensed, despite the view that the Dominion has withdrawn from this field by the recently enacted Dominion insurance legislation.

Companies Object

When the proposal to license Lloyd's was before the Federal house, insurance companies objected vigorously on the following grounds: That Lloyd's would carry no assets in Canada specifically for the protection of Canadian policyholders; that the group as a whole never guarantees the obligation of a member; and that, as a group of underwriters and not a corporate body, Lloyd's was not taxable.

Behind these arguments of the insurance companies, it is believed that Lloyds are able to quote lower rates than those generally offered in Canada—a situation credited to their unique set-up.

While joint stock insurance companies are opposed to the licensing of Lloyd's in Ontario, they fear that should such a license be refused there will be an increase in the amount of business written in Ontario through Lloyds Quebec agency.

Insurance Inklings

JAMES ISBITSER, Sun Life, has been appointed manager at Calgary. He was formerly manager at Regina.

D. W. MORPHY, C.L.U., Empire Life, has been appointed branch manager for Ottawa and district.

PAUL B. CROSS, Crown Life, has been appointed manager for western New Brunswick.

FRANK ROBINSON, Montreal manager of the Mutual of Canada, is author of "Our Task," an article on the job of manager, appearing in the current issue of the Manager's Magazine, published by the Life Insurance Sales Research Bureau, Hartford.

PAUL H. DUBAR, Imperial Life, has been appointed assistant superintendent of agencies. Mr. Dubar was formerly manager at Quebec.

A. C. McPHEE, Imperial Life, will succeed Mr. Dubar but will also continue as manager at Sherbrooke.

M. G. WINTER, North American Life, has been appointed manager at Newfoundland.

WALTER W. MURRAY, C.L.U., North American Life, has been appointed branch manager for Nova Scotia.

W. H. ARMITAGE, C.L.U., North American Life, has been appointed manager at Sherbrooke, P.Q., succeeding Mr. Murray.

North American Life announces consolidation of its Hamilton and Brantford branches. There will be no change in personnel.

Peerless Insurance Agencies, Ltd., is the name of a new insurance agency recently formed in Montreal. C. F. Charbonneau is president. The company has made arrangements to represent the Franklin Fire and the Prudential Assurance of London.

FIDELITY
Insurance Company
of Canada
TORONTO

Presides at Saint John

R. P. HARTLEY, K.C.
Superintendent of insurance for New Brunswick, who is presiding at the 17th annual meeting of the Association of Superintendents of Insurance of the Provinces of Canada.

LLOYD'S LICENSING TABOO AS SUBJECT SAINT JOHN MEET

Foster Tells Superintendents Discussion of Problem Improper

A warning to fellow officials that superintendents of insurance were "administrative officials, confidential, technical advisers, to our government" and that it would be highly improper to discuss such a controversial subject as the licensing of Lloyd's Underwriters in the absence of "express instructions from the ministers to whom we are responsible" was made by R. Leighton Foster, K.C., in his annual report as secretary to the Association of Superintendents of Insurance of the Provinces of Canada, meeting at Saint John, N.B., this week.

Mr. Foster outlined the events of the current year leading up to the passing of federal insurance legislation repealing all reference to Lloyd's in the Dominion Act. He referred to the dilemma in which Ottawa found itself subsequent to the licensing in Quebec of "the non-marine underwriters' at Lloyd's, London" in that such an occurrence brought into direct conflict the respective powers of the provincial-federal jurisdiction.

Federal License Opposed

He referred also to the middle course sought under the guidance of the Rt. Hon. Arthur Meighen, whereby the federal government planned to amend its act to admit Lloyd's to Dominion registry upon terms and conditions acceptable to that organization. As this involved waiving the requirements that Lloyd's maintain assets in Canada by way of deposits equal to its liabilities in this country, the measure evoked a storm of opposition from companies and agents throughout Canada who claimed it constituted unfair discrimination against them to grant Lloyd's Dominion registry without a deposit. Finally, he noted that the compromise bill was eventually dropped and that at the last moment an amendment effected to the Dominion Act accepting one "of the original, obvious alternatives, that is, the repeal of all reference to Lloyd's in the Dominion Act."

For Records Only

Mr. Foster pointed out that his report on the Lloyd's situation was made to the association as a matter of record only.

"There would appear to be no action respecting Lloyd's which this association can appropriately take at this time, the question of policy involved in prescribing terms and conditions of a licensing for Lloyd's are so admittedly controversial that they must of necessity be determined in the first instance by the ministers of the crown responsible for the administration of the insurance legislation and by the government of the several provinces.

"If, as and when, the majority of the provinces in the exercise of their exclusive privilege and responsibility undertake to admit Lloyd's underwriters to transact business within several limits and the terms and conditions of license in each province are common knowledge, then it may be that uniformity in legislation and regulation respecting Lloyd's will become a desirable thing and as such within the field of responsibility which our association has planned out for itself.

"Until that time, it would seem the better part of wisdom to remind ourselves that we are administrative officials, confidential, technical advisers to our government and that it would be highly improper to discuss such a controversial subject in the absence of express instructions from the ministers to whom we are responsible."

Battery Sales Gain

Factory sales of electric storage batteries in Canada during April, May and June of 1934 were valued at $845,536 as against $616,442 reported for the previous quarter.

NEW BRUNSWICK PLANS NEW DEAL FOR AGENCY MEN

Insurance Superintendent Outlines Plans to Improve Conditions

Probability of a provincial insurance board in New Brunswick to deal with the licensing of agents and other allied problems, was forecast by R. P. Hartley, K.C., superintendent of insurance for the province in his presidential address to the annual meeting of provincial insurance superintendents at Saint John this week. Mr. Hartley also made reference to the appointment during the past year of a fire casualty and automobile agency association having been formed in the province "to put the agency business on a higher standard and thereby render better service to the insuring public.

"The agent is the 'contact man' with the public," said Mr. Hartley, "and the public interest benefits or suffers according to the standards of the insurance agency business. In conjunction with this the general agents and branch managers of companies doing business in the province are now taking up with me the advisability of asking the government to create a board to deal with agents' licenses and complaints made as to unfair practices on the part of agents, or other matter affecting the standing of agents, with the idea in mind of raising the agency standard by more effectively controlling the issuing of agents' licenses.

Similar to Previous Plans

"It is proposed to present a plan which will meet our needs and be similar to that already in effect in the provinces of Ontario and Quebec. I am very much in favor of this, as I feel it will effect decided improvement in the agency situation in the province. I hope to see it functioning before long. Up to the present we have been pretty well content in New Brunswick to accept the agent's license fee and give him nothing for his money. Surely he is entitled to some protection and to know that only fit and proper persons—worthy competitors—can get a license.

"Other matters that need consideration are: more effective methods of collecting taxes due from insurance companies to the province, fairer methods of competition between the companies resident or represented in the province and companies doing business from outside the province."

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Mutual of New York

I had a large policy with the Mutual Life of New York and when it matured a few years ago I left the proceeds on deposit with the company.

As they have now withdrawn from Canada I am anxious to know just what the standing of my contract would be and whether you would advise me to continue to keep my money with this American concern.

You need have no concern respecting your policy with the Mutual Life of New York. Although this company ceased to actively write business in Canada a year or two ago, they have left on deposit with the federal government sufficient money to meet all their liabilities in Canada. This deposit will be maintained in Canada as long as they have any outstanding liabilities here.

They are also maintaining an office at Toronto to service their old policyholders.

Auto Insurance

I would like to have expert advice on car insurance. I am not satisfied with my policy. Details are: Legal liability for bodily injury or death (unlimited) and legal liability for damage to property of others ($1,000), $14; fire and transportation $2; theft $1.50; passenger hazard (drive other automobile and personal accident covered) $2.50; total premium $20.

With the exception of collision insurance — which covers damage to your own car in an accident—your policy appears to include all the hazards usually written. Collision coverage is fairly expensive and only about one in ten drivers purchase this protection.

Without knowledge of the company with which you have your policy and the make of automobile which you drive, it is impossible to advise you regarding comparative costs. As you have unlimited personal liability it is obvious that your policy is with a non-tariff company, as companies using the standard forms and rates of the tariff association allow coverage of only $5,000 for accident to one person and $10,000 for any one accident. The $1,000 property damage is usual with both tariff and non-tariff companies.

Hail Loss Ratio May Be 75 Per Cent

Hail insurance loss ratio for 1934 is expected to be about 75 per cent, The Financial Post learns. Last year losses were about 48 per cent on premiums earned while the ratio was 36 per cent in 1932. Insurance extends until September 15 but it is felt that the hazard is over for this year.

Some decline in premiums written has been experienced, one of the largest companies in the field reporting a decrease of 15 per cent.

Heavy losses were experienced in southern Alberta and some parts of Saskatchewan, particularly the Regina area.

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TORONTO VANCOUVER EDMONTON MONTREAL
78

Principles Laid Down For Employee Pensions

Many Canadian Firms May Inaugurate Plans in Conjunction With Jobless Insurance Scheme

Probability that Canada will shortly face the inauguration of some form of unemployment insurance scheme is causing consideration among Canadian employers of various forms of industrial pension schemes.

Such schemes are already in force in many Canadian plants and it is thought probable that any form of federal or provincial insurance which is mooted will provide for the inclusion of individual company pension schemes where desired.

Some of the basic principles on which such a plan should be founded were recently set forth in the New York Annalist by G. C. Parsons of the Mutual Benefit Life of New York. Mr. Parsons gives in non-technical language some of the vital considerations which should be uppermost in the minds of an employer in considering this type of contract.

Funded Plan Best

To be sound, a pension plan should be funded. That is, it should be purchased by an annual or monthly contribution or premium during the time when the employee is an active producer. This premium should be charged against current earnings and not based on probable future earnings. The costs on this basis are less because compound interest has time to work. If the pension is bought on the so-called unfunded or annuity basis, it costs more in the end and is subject to hazards not found in the funded plan.

Many non-contributory plans properly funded or insured are sound, but they put more of a burden on the employer than contributory plans. To bring home to the employee the benefit of a pension plan, it is necessary for him to be a participant in the cost. If he is not willing to share in the cost of his own pension, then, obviously, no pension should be purchased for him. Often the stipulation is made that unless he join the pension plan no past service credits will be purchased for him. In some companies it is one of the requirements of employment. Employees have everything to gain and nothing to lose.

Minimum Requirements

The monthly pension payment at normal retirement age should be adequate at least to provide the necessities of life. The modern trend is to guarantee a minimum pension to the retired employee, the amount being dependent upon his work, compensation and the locality. After a normal lifetime of work, the pension should provide more than a bare living and any properly designed pension plan will do so. Wherever possible the retirement amount should be that which will approximate as closely as possible the employee's standard of living prior to retirement.

Under certain conditions it has been found advisable to place a limit or to establish a maximum salary in the consideration of a pension plan. In some cases this has been set at $5,000 per annum, in other cases $10,000 and so on. It is hardly likely, however, that any definite salary limitation can be set covering all businesses or industries. Each case must be considered on its own merits. The necessity of a pension on salaries of, say, over $25,000, is not as obvious as for those under that amount.

Keep Contributions Separate

The amount contributed monthly by the employee should always be, and is in insured plans, kept separately on the books of the insurance company from the amount contributed by the employer. The employee's contribution should be returned to him if he leaves the company; or if he dies before normal retirement age it should be paid to his beneficiary or to his estate.

The company's contribution should cover current pension requirements and should preferably be paid monthly. These contributions should not be subject to withdrawal because of change in economic conditions, change in management, merger or liquidation. Under certain conditions, however, such as the employee leaving after a short period of employment, the amount paid by the company should be returned or credited against future premiums.

Under certain conditions the employee should also get the benefit of his employer's contribution but only in the form of a paid-up pension beginning at normal retirement age.

Costs of Plan

The present practice in insured plans is for the employer to pay from 50 to 75 per cent of the total cost of the pension fund. The proportion will eventually be about 50 per cent for the employer and 50 per cent for the employee.

Current year-to-year costs vary, of course, with different age groups of employees and may be from 3 to 5 per cent of the current payroll. Also the percentage of females in the company has an effect, for in most cases they are retired at an earlier age and have greater longevity. In estimating future costs allowance must be made for increases in the number of employees due to the expansion of the business, but this does not have any effect upon the percentage of the payroll.

If the pension plan can materially increase employee efficiency (and this has been done) the pension actually costs nothing.

Amount of Pension

The usual retirement or pension age is 65 for males and 60 for females. In some of the later cases in certain types of business the ages have been male 60 and female 55 to 50. In all cases the management should have the privilege of retiring the employee prior to normal retirement age. Retirement after normal retirement age can be worked out by mutual agreement. However, pension payments should begin to the employee at the specified normal retirement age.

For future service (i.e., service beginning at the time of the installation of the pension plan) the usual amount of pension is 1½ per cent of the salary times the total number of years of service. But in many cases and in certain kinds of business this has been found to be inadequate and has been placed at 2 per cent or even 2½ per cent.

For past service (i. e., service beginning at the date of employment and continuing to the date of installation of the pension plan) in most plans credit is given the old employees for service prior to the installation of the plan. This is also based on payroll and is usually calculated at 1 per cent of the present salary times the number of years of service. The reason 1 per cent is used rather than 1½ per cent for past service is that the present salary is considered, rather than total salary, and it has been found that 1 per cent of the present salary is approximately 1½ per cent of total past salary average.

Employee's Contribution

The employee's contribution is usually 3 per cent of his salary for a 1½ per cent pension; or 4 per cent of his salary for a 2 per cent pension; or 5 per cent of his salary for a 2½ per cent pension.

This method of computing the employee's contribution makes the amount contributed by the company somewhat disproportionately heavy, particularly for those employees taken on its payroll in their later years. In future pension plans, Mr. Parsons believes, adjustments should be made in the employee's contributions, so as to equalize this condition.

The employee's contribution should earn interest. Some non-interest plans have been and are being installed, but the question always arises in the employee's mind, "What has become of the interest earned on my contribution?" It seems hardly fair to ask the employee to contribute to a pension plan for, say, twenty years, and then if he leaves the company's employ to return his contribution to him without interest.

Premiums should be paid monthly by the company, the company in turn making a salary deduction on regular paydays.

Employer's Contribution

The employer's contribution, of course, must make up the deficiency between the employee's contribution and the amount necessary to provide the pension as set forth in the plan.

The premium for past credit can be paid in the form of a single premium and is a non-recurring charge. This is often large (it may be financially impossible in one payment), but it can always be arranged to amortize it over a period of years. The employer's contribution should also earn interest.

There should be a probationary period applicable to all employees. The length of this period varies, among different industries, from six months to two years.

It should be provided in the plan that, in case of lay-off, the pension plan be either continued for a reasonable time or held in abeyance until such time as the employee returns to work.

Protective Provisions

The contract should be subject to modification or change or discontinuance on the part of the company upon due and proper notice. This provision should, however, apply only to the future and should in no way affect pensions already earned by the employee and paid for by the employer.

A certificate or the equivalent, properly drawn, should be issued to each employee completely explaining the plan in simple language and in full detail.

To set up a pension plan on a sound actuarial basis, fixed retirement ages for both male and female must be used.

The employee should have the option, either before or at the time of retirement, of selecting various forms of annuities, subject to certain contract restrictions. No one can foretell what his condition or financial responsibility will be or what dependents he may have at the time of his retirement. It would, therefore, be unfair to limit him to one form of annuity. There has been a certain pension fund created during his working years and he should have the privilege of using that fund best.

Plan No Further Change In Forgery Premium Rates

Forgery rates in Canada will not be changed to conform to a recent change made by one of the leading United States companies, The Financial Post learns, reductions ranging as high as 25 per cent having been put into effect at the beginning of July. Tariff companies in Canada follow the rates set by the Towner Bureau in the United States and these rates were revised at June 30, 1934.

Only a comparatively small amount of forgery business is written in Canada and, while loss experience has been good the small premium income does not allow of much accumulation of surplus as provision against a possible large loss.

Forgery premiums written in 1933 amounted to $56,934 as compared with $61,370 in the previous year. The loss ratio on earned premiums for the two years was 15.8 and 29.4 respectively.

Fourteen companies wrote this type of business in Canada last year with two of the companies doing considerably more than half the total business.

MOTOR ACCIDENTS PROPERTY DAMAGE GAIN IN ONTARIO

Fatalities, Injuries and Number of Accidents Also Higher

Traffic accidents in Ontario in July took a heavy toll of life and property damage was almost 50 per cent higher than in July a year ago, the monthly bulletin of motor vehicle accidents issued by the Ontario Department of Highways reveals. Sixty persons were killed during the month and 1,026 were injured while property damage was estimated at $121,722. These figures compare with 58,873 and $86,095 in July, 1933.

The increase in motor vehicle accidents can be partially attributed to an increase in the number of vehicles registered and the heavier use of the highways. However, while passenger car registrations are 4.6 per cent greater than last year, the increase in the number of passenger cars in accidents is only 1.3 per cent; trucks engaged in accidents are 14.8 per cent greater, however, while the gain in commercial vehicles registered is one of only 7.6 per cent.

All Statistics Higher

For the first seven months of the year to the end of July, an increase in all accident statistics is recorded. Property damage losses have increased by 7.2 per cent and there was a ten per cent increase in the number of persons killed. The following table shows the comparative picture for the seven months.

Motor Vehicle Accidents in Ontario
(Seven Months Ended July)

		1934	1933	Incr. %
Accidents ...	No.	4,674	4,465	4.7
Killed	No.	224	202	10.9
Injured	No.	4,292	4,078	5.2
Vehicles involved	No.	6,721	6,493	3.5
Prop. damage..	$	443,064	413,201	7.2

Establish Two Records

Two accident records are recorded in the bulletin which are worthy of notice. First, during July there was not one fatal accident resulting from a motor vehicle accident in the city of Toronto. It is stated that this record has been unequalled by any city of corresponding size on the continent.

On the other hand, the number of persons injured in July was the greatest in the history of the motor vehicle in the province.

IMPROVEMENT SEEN BY SUPERINTENDENT

B.C. Official Reviews Insurance Outlook in Report

From Our Own Correspondent

VANCOUVER. — The insurance situation in British Columbia is considerably better than general conditions would indicate, in the opinion of H. G. Garrett, superintendent of insurance for this province.

"If we consider the innumerable ways in which the public and business have been subjected to loss and strain by the depression, we might have expected the figures to be very much lower than they are," writes Mr. Garrett in a report to the government.

Twelve insurance companies ceased doing business in British Columbia last year, four new companies were registered and there are now 285 companies operating, according to the Garrett report.

Insurance business recorded during 1933 amounted to: Life, $13,250,000; fire, $4,100,000; automobile, $1,450,000; a total of $20,700,000. In 1929 the figures were: Life, $13,500,000; fire, $6,132,000; automobile, $2,137,000, and other classes $2,600,000; a total of $24,369,000.

Sees Improved Methods

The last few years have demanded the use of the microscope and the pruning knife in the insurance business, states Mr. Garrett, and life insurance in particular has probably escaped the temptation and danger of living on its past achievements. He predicts improved methods and lower cost of doing business, tending ultimately to lower rates for better protection. Fire, automobile and casualty classes last year reflect lack of business but a decidedly reduced percentage of losses acts as an offset to some extent. The competition for business at any price is yielding to the principle of sound underwritng.

Monarch Life Shows Good Business Gain

An improvement in the company's new business in all branches in 1934 was reported by J. A. Macfarlane, general manager of Monarch Life Assurance Co., who recently visited the company's branches in British Columbia. Paid-for business in the first seven months showed an increase of over twenty per cent in excess of the business for the same period last year. There has been a substantial decrease in cancellations in 1934 and much lessened demands for policy loans and surrender of policies. An increase in the company's business in force is also reported.

Assistant Treasurer

S. M. THOMPSON, F.A.S.
Appointed assistant treasurer of the Manufacturers Life Insurance Co. Mr. Thompson joined the company in 1923.

Sugar From Fiji

Sugar-growing is the chief industry of the Fiji Islands. The exports of sugar in 1933 were 113,836 tons valued at £1,180,762. The United Kingdom was the largest consumer, getting 63,763 tons at £656,619, and Canada next with 47,712 tons at £500,278.

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Vice-President C. W. SOMERS
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THE BRITISH AMERICA ASSURANCE COMPANY OF TORONTO
TORONTO - CANADA

MEXICAN POWER FUTURE REVENUE CUT BY MEXICO

New Rates Imposed Drastically Curtail Receipts—Burdens Greater

The Mexican Light & Power Co. gross and net earnings were lower in 1933 despite greater demands for power because of a continuing depreciation of the peso. The company therefore could not resume payment of dividends on either classes of preference shares. The department of National Economy has also imposed from August 1, 1934, lower rates upon the company, and this will have a drastic effect on future earnings of the company.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1933 $	1932 $
Earns. from oper.:		
Light and power:		
Governments	919,815	1,016,529
Other	7,787,344	8,418,715
Miscellaneous	33,628	40,476
Gross oper. earns.	8,740,787	9,475,720
Less oper. exp., main., taxes, deprec.	5,352,758	5,862,011
Net oper. earns.	3,388,029	3,613,709
Less add. depr. and other exps.	282,287	289,340
Add: Inc. fr. inv.	118,425	103,803
Total net inc.	3,224,167	3,428,172
Less: Adminis. and gen. exp.	144,472	137,129
Total net earn.	3,079,695	3,291,043
Less: Bond int.	2,620,160	2,639,978
Sinking funds	772,651	449,911
Net profit	*313,116	201,154
Add: Prev. surp.	2,696,550	2,718,577
Less: Prior year adjusts.	685,971	223,181
Balance forward	1,697,463	2,696,550

* Loss.

Working Capital

	1933 $	1932 $
Current assets	5,998,162	4,992,245
Current liabilities	1,683,254	1,714,953
Working capital	4,314,908	3,277,292
Ratio	3.56—1	2.91—1

Greater burdens have been placed on the company by a large increase in the Mexican income tax and a new law of "absenteeism" effective from March 1, 1934, subject to taxation varying from 2 to 4 per cent on all remittances made abroad either for investment or for the payment of bond interest, dividends or foreign administrative expenses.

Because of the increased demand for power the company expended $749,978 for completing work in progress at the end of 1932.

The company announces that it will exercise its option to redeem $3,500,000 7½ per cent general unsecured bonds of the company on January 2, 1935, by the issue of 43,750 no par value ordinary shares.

Cash and government bonds amounted to four and a quarter million dollars. Federal, district and municipal indebtedness for power supplied over the years increased to $3,735,077. Capital account is $96,846,207 including $25,911,243 for intangibles. Funded debt is $44,851,433. General reserve, shown at $29,951,651, is not certified as sufficient by the auditors.

Canadian Pacific Make Executive Changes

W. M. NEAL
General manager of Western Lines at Winnipeg, who succeeds to the post vacated by Mr. Coleman.

D. C. COLEMAN
Vice-president of Western Lines, who succeeds the late Grant Hall as vice-president of all lines.

H. J. HUMPHREY
General manager of Eastern Lines at Montreal, who takes on the additional title of vice-president.

Wallace R. Campbell Gives Tariff Views

Says Employees Must Rank Ahead of Shareholders in New Deal for Business

Strong defense and plea for extension of the Canadian tariff structure was made at Winnipeg this week by Wallace R. Campbell, president of the Ford Motor Co. of Canada, in addressing the annual meeting of the Canadian Chamber of Commerce.

"During the many years I have been engaged in manufacturing in Canada," said Mr. Campbell, "I have become firmly convinced that our tariffs should be designed, not primarily for supplying revenue for the conduct of government, but rather as an instrument to ensure the utilization of Canadian labor to the greatest extent economically justified.

Scientific Structure Needed

"What we need is a tariff structure so scientifically designed as to permit the manufacture, behind a suitable tariff wall, of every product which can be economically produced within our borders. Such a tariff would permit the maximum utilization of our manpower in the production of the goods we require here for our own consumption and those needed for export to our overseas markets.

"No one will gainsay that our tariff laws today are far from what we would desire them to be. Not always does the tariff on a finished product bear the proper relationship to the tariff on raw and semi-finished materials necessarily imported for complete manufacture in Canada. Not always is the impost on inferior products sufficient as not to prejudice the Canadian manufacturer of merchandise of high quality.

"I am hopeful, however, that a revision of our tariff laws will be approached with this consideration in mind, that every schedule will be so drafted and later administered, as to ensure the greatest possible employment of Canadian labor in the production of the goods we require.

Would Extend Scope

"Today we endeavor to produce in Canada everything which can be produced for not more than it would cost to import. That is what is meant by 'economical justification.'

"I believe that in the situation we find ourselves today and in our endeavor to seize upon every means at hand to increase employment in Canada, we are justified in undertaking the manufacture of goods which are on the border line of pronomic justification, which will even cost us a moderate premium to produce in Canada, yet in the production of which we can provide more work for Canadian labor.

Good Business for Canada

"Not only do I believe that we are justified in doing this from the viewpoint of our national welfare, but I consider it is good business as well. This policy has been adopted by certain Canadian manufacturers and, in spite of temporary increases in cost, it has been found to be good business, by reason of the additional purchasing power created in the districts affected.

"We must remember that every dollar of employment we can provide means an additional dollar of purchasing power. We can afford right now to sacrifice immediate profits if we can contribute to the improvement of conditions generally, because if we can help to restore what I have defined as normal times in Canada, we all will benefit far beyond the immediate profits we might otherwise realize. I recommend this policy to the manufacturers of the Dominion."

Must Be Good Neighbor

Developing his theme of the present-day problems which beset manufacturers in Canada today, Mr. Campbell envisioned the major task as one seeking out the way for Canada to live as neighbors with the rest of the world, "patterning our internal economy so as to enable us to profit alike from our interchange of trade within our own borders and from trade with the Mother country, the Empire and the other nations of the world.

"It is now time," he stated, "to recognize that industry generally must be the greatest factor in bringing this condition about.

"As far as Canada is concerned there can be no normal times until all of our people who are capable of working have an opportunity for gainful employment—free and unfettered by government aid.

Employee Ahead of Shareholder

"In dealing with the ills which must be corrected it is time that the very grave importance of our human relationships be recognized. I repeat—until every man in this country capable of working is able to find gainful employment the prime responsibility of industry is to the worker. The employee's interest must not be subordinated to the interest of the shareholder.

"Perhaps these are rather amazing statements, but not until this condition is brought about can either capital and management or the worker prosper.

"Our primary duty, then, should be to make certain not only that the interest of labor in the benefits of industry be not subordinated to that of capital, but also that labor be granted an equitable share of these benefits.

New Code of Conduct

"Instead of the old worn-out code which had ruled our business life for generations a new code is coming into being—a moral code, based upon the same doctrine of human conduct enunciated nineteen centuries ago.

"This code of morals, I take it, is to supersede the old one for at least two good reasons. One—because it is right. The other—because it is good business. We all concede that it is right. Let us see why it is good business.

Increase Buying Power

"What we must do is to start the ball rolling upward injecting more money into our economic structure at the bottom, through the wages of these industrial workers and profit by the steadily increasing circulation of this money upward through our whole business fabric. That is good business because it is profitable. Perhaps it means even the salvation of our industry itself as we know it today.

Home Problem First

"Our problem at home, then, becomes one of finding greater markets for the products of domestic manufacture, and this again devolves upon the problem of finding greater employment and providing increased purchasing power for our own workers.

"By increasing the earnings of the average worker, by paying him a greater return for his labor and by increasing the volume of his employment, by pumping into our economic structure more money at its base, we can get a start toward solution of our problem.

Quality Essential for Exports

"In the export field, Canadian products can compete successfully in every world market, if for no other reason than because of their intrinsic quality. It therefore behooves all of us who would sell our goods in foreign markets to concentrate unremittingly on the quality of our products.

"We must first make sure that the products we produce to sell in overseas markets are the best that we can produce and then we must set about to create a reputation for the worth of these products. It can be done. All we need is a singleness of purpose and a determination to make Canadian goods the best that can be produced—and then tell the world about it.

New Era Looms

"It is an inescapable fact that we have now entered upon an era of social readjustment in this world.

"In working out this readjustment, so that the rights of both capital and labor shall be properly balanced, it devolves upon capital to take the initiative, with the welfare of the nation as a whole always in mind.

"Capital must do this, because capital has the imagination, the training and the ability to assume leadership.

"Until this proper balance is struck and until this country has been able to lift itself by its own courage and its own ability back to normal times, it is imperative that capital defer profits, defer its claim to a return upon invested wealth, in order to provide all of our people able to work with adequate employment at such a return as to enable them to live in accordance with standards commensurate with the calibre of Anglo-Saxon peoples."

Smelters Adds New One to List Of By-Products

From Our Own Correspondent

VANCOUVER.—Add one more to the long list of by-products of the Consolidated Mining & Smelting Company's Trail plant: Zinc dust.

Zinc dust is used to a large extent in various manufacturing processes, the paper industry, gold mining and the dyeing and chemical industries. It has been imported in considerable quantity from sources outside Canada. British Columbia alone imported zinc dust to the value of more than $27,000 last year.

Consolidated Mining & Smelting Co. undertook experimental work in connection with production of zinc dust, found it satisfactory and installed a special plant for its manufacture. The company hopes to meet all requirements of the Canadian market.

Other work proceeding at Trail includes enlargement of the storage building at the Warfield fertilizer plant. This addition is the second in two years and is larger than that constructed last year.

U. S. Experts Study N.S. Gold Revival

One of the big features of Canadian mining during the past year was the revival of the gold fields in Nova Scotia. Recently this revival was given international recognition when over 30 officials, engineers and operators of several American and English mining syndicates made a tour of the province studying the young gold fields with a view to active participation on behalf of their interests. The group were reticent about discussing their plans, but it is reported that among them is an engineer and officials representing J. P. Morgan Mining Corp., of New York. It is also understood that representatives of the Consolidated Mining & Power Co., of Boston; Consolidated Goldfields of South Africa; the Consolidated Mining & Smelting Co., of Trail, B.C.; Bartley Co., of Wall St., New York; Ventures and others were in the group. The group was accompanied by Dr. E. R. Fairbault, of the Geological Survey Board of Canada.

MEXICO TRAMS MAY YET RECOVER IF STATESMEN AID

Bondholders Have Done Their Part — Official Co-operation Wanted

Mexico Tramways Co. gross operating earnings in 1933 fell from $2,970,168 to $2,698,420. Because of economies in operation the net operating loss was somewhat reduced, being $776,793 as compared with $798,697 in 1932. Net income from investments added to this brought the loss after bond interest and other charges to $627,272 as against $670,232 in 1932.

CONS. INCOME AND SURPLUS ACCT.
Years Ended December 31

	1933 $	1932 $
Car earnings	2,635,063	2,920,567
Misc. earnings	63,357	49,601
Gr. oper. earns.	2,698,420	2,970,168
Less expenses:		
Operation	3,475,213	2,529,303
Maint., taxes & depreciation		1,139,542
Net deficit	776,793	798,687
Less: Exchange and sundry adjust.	588	*977
	777,381	797,710
Add: Net inc. from investments	1,121,140	1,078,353
Misc. income	45,500	112,000
Non-int. notes of Mex. L. & P. redeemed	250,000	50,000
Total net earn.	639,259	442,643
Less: Adminis. & gen. expense	126,025	129,742
Int. on loan	183,069	182,814
Total net inc. applic. to fix. chgs.	330,165	130,087
Less bond interest:		
Mex. Elec. Tram. 5% A debs.	72,489	75,932
Mex. Tram. Co. 5% gen. mtge.	514,900	514,900
Less Sinking Funds:		
Mex. Elec. Tram. 5% A debs.	42,413	39,323
Mex. Tram. Co. 5% gen. mtge.	102,980	102,980
Net exch. diff. on int. & s. f. paymts.	224,655	67,181
Net loss	627,272	670,232

* Credit.

Jitney Competition Hurts

Competition from jitneys and improved buses continued during 1933 and no relief was secured by the company from the onerous conditions obtaining. The value of the Mexican peso continued to fall and thus all things together contributed to a serious shortage of revenue available for paying interest on the 6 per cent mortgage bonds.

The award of the Federal Board of Conciliation and Arbitration, states R. H. Merry, secretary, in report to shareholders, granted only slight benefits to the company. Its various recommendations for alleviating the serious financial condition of the company aroused strong opposition from employees and the effects of the award were temporarily suspended on a hint from the President of the Republic.

The President thereupon formed a special commission to deal with the whole question of regulating transportation in the Federal district.

During the year the company liquidated $2,442,068 8 per cent first mortgage bonds (reduced to 3 per cent) of Compania de Ferrocarriles by transferring on Jan. 2, 1934, 27,134 ordinary shares of Mexican Light & Power Co. The company, however, found it impossible to continue service on its own 5 per cent first charge bonds but holders accepted a company offer of £20 5 per cent second charge debentures of Mexican Light & Power Co. and £70 of 5 per cent non-cumulative income debenture stock of Mexico Tramways Co. The offer was accepted on May 14.

Similar arrangements were made with the 5 per cent first mortgage and 6 per cent mortgage bonds. These arrangements give the company, it is stated, a chance to re-establish itself, "provided it receives the indispensable co-operation of the Mexican authorities." The President Calles six-year plan of government includes the nationalization of power. The Government will grant all future concessions with this in view.

The working capital deficit has grown as shown by the following report:

Working Capital

	1933 $	1932 $
Current assets	2,409,153	2,626,191
Current liabilities	3,996,341	3,858,863
Working capital	*1,587,188	*1,232,672
Ratio	0.60—1	0.68—1

*Excess of current liabilities over current assets.

Most of the current liabilities were for accrued bond interest. Arrangements made during the year may help out in this way as the company has otherwise a strong liquid position.

C. & E. July Production Totals 24,346 Barrels

Production from the producing wells of the Calgary & Edmonton Corp., in July amounted to 24,346 barrels with a royalty of $8,042, as compared with a production of 19,767 barrels with a royalty of $7,793 in July, 1933, according to a statement issued from the company's head office in Winnipeg.

The company also reports that Franco Oils spudded in their No. 1 well in the Cardston district. Drilling proceeds at a depth of 100 ft. Merland No. 2 well has been located by the Merland Oil Co. in the South Turner Valley, 1,000 ft. south of their No. 1 producer. A drilling rig is now being hauled to the location and rigging up should be shortly under way.

Siscoe August Tonnage Establishes New High

During the month of August, Siscoe Gold Mines produced gold valued at $174,857, according to reports filed with the Montreal Curb market. This figure compares with $181,294 in July and with $146,620 in August of last year. All figures are based upon gold at $35 per ounce. Tonnage handled during the month was 10,319 while mill heads average $17.52 per ton. August tonnage constituted a new high for the Siscoe mill, the previous high being established in March of this year when 10,259 tons were handled in the mill.

Sudbury Contact Reports Values $3.15 to $4.20

Diamond drilling operations at the property of Sudbury Contact Mines in Cadillac township, Quebec, show interesting values from No. 3 hole, according to a progress report forwarded to The Financial Post. Assay values of from $3.15 to $4.20 over a width of from 4.1 to five ft. below the 500-ft. level were reported. The company states that further drilling is proceeding to prove conditions at a still greater depth in the same section.

IMPORTANT NOTICE

"MINRAND GOLD, LIMITED"

Holders of stock certificates of MINRAND GOLD, LIMITED are requested to forward same to Chartered Trust & Executor Co., Montreal or Toronto, for transfer into their names or nominees. Up to September 25th transfer will be made without charge to holders. Progress Reports and important communications will shortly be released by the Company.

Montreal, Sept. 11/34.

President

MINRAND GOLD, LIMITED
231 ST. JAMES ST. WEST,
MONTREAL.

Mining Stock Quotations

Week Ending September 10

Par Val.	Range 1934 High	Low	Company	Sales	Close Sept. 3 (or last)	High for week	Low for week	Close Sept. 10
1	.06	.01	Aconda	1,500	.01	.01½	.01	.01½
No	.33	.13	Aldermac	9,464	.18½	.18½	.17	.17
1	.10	.01½	Alexandria	135,000	.02	.02	.01½	.01½
No	.18	.07½	Algoma	8,700	.09½	.09	.07½	.07½
1	.04	.01½	Amity Copper	2,100	.01½	.01½	.01½	.01½
No	4.51	2.00	Anglo-Huronian	880	4.10	4.05	4.01	4.05
1	.08½	.03	Area	3,000	.03½	.03½	.03½	.03½
No	.20	.02	Arno	5,000	.03	.02	.02	.02
1	1.25	.40	Ashley	3,110	.48	.52	.46	.49
1	.18	.06½	Astoria Rouyn	14,600	.07½	.09½	.08	.08
1	.60	.04	Bagamac	46,100	.11½	.11½	.10½	.10½
1	.04½	.00½	Baldwin	15,000	.02	.01½	.01½	.01½
1	.22	.09	Barry Hollinger	24,700	.10½	.11½	.10	.10½
1	2.05	.92	Base Metals	3,575	.94	.95	.92	.92
1	.91	.16	B.E.A.R.	26,200	.32	.32½	.26	.27
1	.51	.26½	Big Missouri	8,487	.34	.34	.31½	.32
1	.75	.23	Bobjo	58,680	.51½	.52	.45	.46½
1	3.72	2.40	Bradian	2,983	2.93	2.97	2.75	2.75
No	17.00	9.90	Bralorne	2,446	15.00	15.50	14.65	14.65
1	1.50	.35	Brazil Gold	.....	.40			
1	.16	.03	Brett Trethewey	11,000	.03	.04	.03½	.04
50c	1.41	.28½	Bridge River Ex.	57,750	1.00	1.05	.80	.80
1	.09	.01½	Brownlee	311,200	.04	.04½	.02½	.03
1	.02½	.00½	Buckingham	7,000	.00½	.01	.00½	.00½
1	3.98	1.90	Buffalo Ankerite	12,810	3.55	3.98	3.55	3.60
No	.14	.04	Buffalo Can.	8,800	.04½	.04½	.04	.04
5	37.50	23.50	Bulolo Gold	350	36.00	35.75	35.55	35.65
No	.07½	.05	Bunker Hill (new)	4,540	.....	.07½	.05	.06
5s	1.20	1.00	B'Wana McKubwa	.....	1.20	.....	.....	.....
No	.14	.02½	Canam Metals	.....	.03	.....	.....	.....
1	.20	.05	Can. Kirkland	58,500	.08½	.08½	.06½	.06½
No	.78	.38	Can. Malartic	8,925	.75	.75	.70	.70
1	.02½	.00½	Capital Rouyn	3,000	.00½	.00½	.00½	.00½
1	2.85	1.00	Cariboo Gold	4,795	1.60	1.85	1.35	1.35
1	.09	.01	Cartier Malartic	35,200	.04½	.05½	.04½	.05
1	.81½	.49	Castle Trethewey	11,085	.58½	.60	.55	.56
1	.16	.07	Cen. Manitoba	10,700	.11½	.11	.09½	.11
1	1.25	.54	Cen. Patricia	97,645	1.21	1.25	1.08	1.10
No	.16½	.05½	Chibougamau Pros	167,150	.14½	.14½	.12	.12
1	.15½	.04½	Church M. & Mill	8,550	.07½	.08	.07	.07
No	.14	.04	Clericy	8,225	.04½	.04½	.04	.04
1	.03½	.01	Clifton Cons.	3,000	.01½	.01½	.01	.01
5	5.75	2.80	Coast Copper	*700	3.00	3.40	2.90	3.40
1	.06½	.03	Cobalt Contact	10,500	.03	.03½	.03	.03
No	.94½	.20	Columario	21,600	.23	.30	.23	.28
5	2.45	1.35	Coniagas	605	1.90	2.00	2.00	2.00
No	1.60	.97	Coniaurum	2,853	1.40	1.44	1.35	1.40
25	170.25	118.00	Cons. Smelters	568	138.75	140.00	130.00	130.00
25c	.37½	.31	Crown Cons	22,300	.36	.37½	.36	.37
No	45.50	32.25	Dome Mines	647	43.80	44.00	42.00	42.00
1	.12	.10	Dom. Explorers new	3,591	.....	.12	.10	.11
1	.02½	.00½	Dominion Kirk	1,500	.00½	.01	.01	.01
1	.17½	.01	Duparquet	12,500	.07	.10	.06	.09½
1	4.35	1.76	Eldorado	20,710	2.50	2.60	2.32	2.32
No	4.15	3.00	Falconbridge	3,980	3.81	3.98	3.85	3.90
1	.11½	.01½	Federal	12,000	.03	.03½	.03	.03½
No	.07	.02½	Gilbec	9,000	.02½	.03	.02½	.02½
No	4.30	.70	God's Lake	93,910	2.57	2.59	2.05	2.10
1	.30	.08	Goldale	34,100	.23½	.25	.22	.22
50c	.47	.34	Gold Belt	1,800	.38½	.35	.34	.34
1	.57	.16	Goldfield	.....	.18	.....	.....	.....
1	.43	.17	Goodfish	.....	.18½	.20	.18½	.18½
1	.18½	.02½	Graham Bosquet	64,050	.07½	.09	.07	.07½
1	1.09	.50	Granada Gold	10,960	.63	.63	.58	.60
No	.53	.20	Grandoro	8,400	.26	.29	.25	.25
1	1.22	.66	Greene Stabell	36,645	.75	.73	.70	.72
1	.18	.05	Groselle	.....	.08	.....	.....	.....
1	.48	.08½	Grull Wihksne	500	.08½	.09	.09	.09
1	2.50	1.28	Gunnar Gold	40,600	2.20	2.25	1.95	2.00
1	.53½	.11	Halcrow Swayze	20,050	.12½	.13½	.12	.13
1	.15	.03½	Harker	16,500	.09½	.10	.09	.09
1	.02½	.00½	Hilltop	.....	.00½	.....	.....	.....
5	20.10	11.40	Hollinger	8,697	19.50	19.75	18.75	19.10
1	1.40	.93	Howey Gold	22,660	1.31	1.34	1.25	1.27
No	15.00	9.00	Hudson Bay	1,052	14.10	14.50	13.60	13.75
1	14.25	10.45	Int. Mining	.....	13.75	.....	.....	.....
1	6.25	4.00	Do., Pur. Warr.	.....	5.85	.....	.....	.....
No	29.00	21.15	Int. Nickel	11,917	24.62	24.75	23.25	23.37
1	.48	.28	J. M. Cons. Gold	15,250	.40	.42	.35	.37
1	.03	.00½	Keora Mines	4,000	.01½	.01½	.01	.01
1	.36½	.20	Kirkland Cons.	49,080	.36	.36½	.34	.36
1	.73½	.45	Kirk. Hud. Bay	1,950	.58	.55	.50	.50
1	.05	.00½	Kirk. Hunton	3,500	.01½	.01½	.01½	.01½
1	.76	.53	Kirkland Lake	59,175	.71	.72	.66	.67
1	.40½	.20	Kirk Townsite	6,400	.23	.24	.21½	.23½
20c	.02½	.01	Koot. Florence	2,500	.01	.01	.01	.01
1	.23	.02	Lakeland	15,500	.02½	.02½	.02½	.02½
No	.18	.06½	Lake Maron	20,400	.07½	.07½	.06½	.06½
1	57.00	42.00	Lake Shore	2,325	56.00	57.00	55.75	56.10
1	.48	.30	Lamaque Contact	117,450	.47	.47	.41	.41
1	.26	.06	Lebel Oro	71,000	.09½	.09	.07	.08½
1	.22	.08	Lee Gold	14,400	.10	.11	.09	.09
No	7.75	4.05	Little Long Lac	13,931	6.95	7.00	6.25	6.25
1	3.05	1.85	Macassa	33,685	2.85	2.94	2.80	2.82
1	.08½	.01½	Malrobic	14,000	.03½	.03½	.03½	.03½
No	.17	.06	Mandy	1,100	.10	.10	.09½	.09½
No	.40	.21½	Manitoba & Eastern	37,550	.34	.34	.31½	.31½
1	1.00	.25	Maple Leaf	238,250	.28	.28	.25	.25
5	50.00	39.25	McIntyre	1,805	47.25	47.10	44.00	44.00
1	1.74	1.01	McKenzie Red L.	52,725	1.50	1.61	1.45	1.48
1	.75	.50	McKinley	879	.65	.71	.65	.65
No	.06½	.01½	McLeod River	75,900	.03½	.03½	.02½	.03
1	.75	.39	McMillan	21,100	.67	.70	.65	.66
No	.55½	.25	McWatters	26,500	.48	.50	.47	.48
No	.55½	.25	McWatters	26,500	.48	.50	.47	.48
1	1.21	.39½	McVittie	16,205	.42	[illegible]	.41	.41
5	1.50	1.25	Mentor Exp. & Dev	.....	1.25	.....	.....	.....
No	2.47	1.60	Mining Corp.	3,234	1.70	1.70	1.63	1.70
1	.08½	.02½	Moffatt Hall	28,950	.06	.05½	.04½	.05
1	.20	.08½	Moneta	1,400	.14½	.16	.14½	.15
1	.04	.01½	Murphy	12,000	.01½	.01½	.01½	.01½
No	.09½	.02	Newbec	3,300	.02½	.03½	.02½	.03½
1	.06½	.03	Night-Hawk Penn.	18,000	.04½	.05½	.04	.04½
5	2.85	2.00	Nipissing	5,100	2.50	2.62	2.51	2.55
No	45.05	33.25	Noranda	9,466	41.30	42.50	38.05	38.70
No	.54	.22	Nor. Canada	5,650	.36	.37	.32	.32
1	.27	.07	Osisko	1,000	.13	.11	.11	.11
1	.72	.28	Parkhill	27,050	.36	.37	.28	.30
1	.05	.01½	Pawnee Kirk	3,500	.02½	.02½	.02½	.02½
1	.31½	.19	Paymaster	66,125	.26½	.27	.25½	.26
1	1.40	.55	Pend Oreille	450	.65	.57	.55	.57
1	.06½	.01½	Peterson Cobalt	67,450	.03½	.04	.03½	.03½
1	1.85	1.26	Pickle Crow	21,885	1.53	1.57	1.49	1.52
1	14.15	10.75	Pioneer Gold B.C.	2,385	12.70	12.75	12.20	12.20
1	.08½	.01½	Porcupine Crown	11,500	.03½	.03½	.03½	.03½
1	.03	.00½	Potter Doal	.....	.01	.....	.....	.....
1	1.75	1.02	Premier Gold	8,170	1.29	1.28	1.22	1.24
1	.06½	.01½	Preston E. Dome	3,500	.03½	.03½	.02½	.03½
No	.60	.30	Prospectors Air's	.....	.49	.....	.....	.....
1	.70	.15	Quebec Gold	78,315	.18	.23½	.17	.21
No	.15	.05	Quemont	500	.08	.05½	.05½	.05½
1	1.73	.27	Read Authier	25,850	1.46	1.50	1.31	1.33
1	1.29	.75	Reno	11,100	.93	.93	.83	.84
1	.02½	.00½	Ribago	4,000	.00½	.01	.00½	.00½
1	.05½	.01½	Ritchie	2,500	.02	.02½	.02½	.02½
1	.11½	.01½	Robb Montbray	146,130	.05	.05½	.04½	.04½
1	6.30	1.75	San Antonio	10,003	5.50	5.50	5.05	5.50
1	1.43	.62	Sherritt Gordon	20,592	.65	.68	.62	.63
1	2.88	1.43	Siscoe	33,420	2.75	2.78	2.66	2.66
1	4.00	3.08	South Amer. Gold	2,775	3.85	3.76	3.50	3.50
1	.07½	.02½	South Keora	11,600	.03½	.03½	.03½	.03½
No	.26½	.09	South Tiblemont	24,900	.10	.10	.09	.09½
No	.46	.08½	Stadacona	50,990	.34½	.37	.32	.32
1	.65	.31	St. Anthony	196,220	.48	.65	.55	.55
No	2.00	1.00	Sudbury Basin	4,200	1.55	1.55	1.50	1.55
1	.16½	.05	Sudbury Contact	7,500	.10	.10½	.10	.10½
1	.11½	.00½	Sudbury Mines	9,000	.06	.07½	.06	.06½
1	.63	.44	Sullivan Cons.	21,315	.57	.60	.53	.54
1	3.20	1.29	Sylvanite	20,895	2.91	2.90	2.75	2.75
1	8.05	5.75	Teck Hughes	31,034	6.70	6.55	6.25	6.25
1	.59	.20	Thom. Cadillac	52,810	.49	.53	.48	.50
	.02	.01½	Timiskaming	.....	.01½	.....	.....	.....
1	.76	.26	Towagmac	3,500	.40	.40	.36	.36
1	.85	.35	Treadwell	.....	.40	.....	.....	.....
No	.02½	.01	Vacuum Gas	10,500	.01½	.01½	.01½	.01½
No	1.12	.77	Ventures	68,920	1.03	1.04	.98	.98
1	.03½	.01½	Vickers	6,000	.02	.02	.01½	.01½
No	1.53	.80	Waite Amulet	9,300	.95	.95	.80	.90
50c	.50	.06	Wayside	421,550	.07½	.11½	.07	.09½
No	.43	.18	White Eagle	31,000	.20	.21	.18	.18½
1	.07½	.02½	White Lake	3,000	.03	.02½	.02½	.02½
1	.18	.05	Wiltsey Coughlan	5,600	.07½	.09	.07½	.07½
1	.20	.05	Wood Kirkland	2,600	.11	.11	.11	.11
No	10.25	6.75	Wright-Hargreaves	7,475	9.70	9.75	9.35	9.40
			OIL STOCKS					
No	.33	.17	Acme Gas & Oil	9,300	.19	.19½	.18	.18
1	.20	.09	Admiral	.....	.20	.....	.....	.....
1	1.60	.96	Ajax	2,000	.96	1.00	.96	.97
1	.25	.08	Alta. Pacific	1,700	.10	.11	.10	.11
No	.35	.12	Associated	1,500	.15	.15½	.14½	.14½
No	.13	.03½	Baltac	400	.03½	.04	.04	.04
No	1.60	.60	Calgary & Ed.	2,300	.80	.80	.75	.75
1	.15	.05	Calmont	80	.06½	.10	.05	.05
No	.12	.04	Common. Pete	2,500	.05	.05	.04	.04
No	.65	.25	Dalhousie	560	.30	.29	.25	.29
No	.30	.09	Eas. Crest	1,800	.10½	.10½	.09	.09
No	.58	.07	Erie Gas	500	.10	.09	.09	.09
No	.75	.25	Foothills	200	.35	.25	.25	.25
No	.25	.20	High Sarcee	.....	.23½	.....	.....	.....
No	1.90	.90	Home	3,300	1.00	1.00	.90	.90
No	.05	.02	Homestead	.....	.05	.....	.....	.....
1	.25	.12	Homestead O. & G.	1,000	.19	.19	.19	.19
No	.44	.12	Lowery	1,000	.12	.18	.18	.18
No	.42	.19	Merland	100	.22	.23	.23	.23
1	.48	.10	Midwal	.....	.10	.....	.....	.....
1	.33	.17	Model	1,000	.24	.21	.21	.21
5	.17½	.05	Nordon	1,400	.06½	.06½	.06½	.06½
No	.09	.03	Oil Selections	2,000	.03½	.03½	.03½	.03½
No	.34	.10	Olga Gas & Oil	.....	.10	.....	.....	.....
1	1.10	.50	Petrol Oil & Gas	.....	.50	.....	.....	.....
No	19.55	13.00	Royalite	512	14.25	14.05	13.80	13.80
1	.13	.05	Sarnia Oil	7,600	.06	.05½	.05	.05
No	.17	.07	South West Pete.	.....	.15	.....	.....	.....
No	1.00	.63	Wainwright-West	33,050	.87	1.00	.88	.98

VANCOUVER STOCK EXCHANGE
(Transaction for Week to September 7)

Par Val.	Range 1934 High	Low	Company	Sales	Close Aug. 31 (or last)	High for week	Low for week	Close Sept. 7
1	.09½	.01½	Alexandria	8,000	.02	.01½	.01½	.01½
25c	.03½	.01	Bayview	9,000	.02½	.02½	.02½	.02½
20c	.08½	.03	Beaver Silver	7,500	.05½	.05½	.05	.05
25c	.03½	.01	Bluebird	.....	.01	.....	.....	.....
1	3.70	2.10	Bradian Gold	873	2.95	2.95	2.85	2.85
No	16.95	9.85	Bralorne	639	15.00	15.25	14.95	14.95
1	.48	.09½	Bridge River Cons	12,350	.15	.15	.13	.13½
50c	1.40	.28	Bridge River Exp.	53,300	1.05	1.00	.88	.93
50c	.27	.19	B R Mountain Gold	.....	.20	.....	.....	.....
1	1.76	.51½	B. C. Nickel	31,050	.84	.85	.73	.75
1	1.25	.90	B. C. Silver	.....	.95	.....	.....	.....
50c	.29	.08	Butte I.X.L.	.....	.09	.....	.....	.....
50c	.24	.15	Canadian Rand	.....	.15	.....	.....	.....
1	2.90	1.00	Cariboo Gold	9,851	1.63	1.82	1.39	1.45
No	12.60	8.75	Coast Breweries	720	9.25	9.25	9.00	9.25
1	.51	.18	Congress Gold	13,100	.45	.51	.46	.46
50c	.02	.00½	Cork Province	.....	.00½	.....	.....	.....
1	.08	.05	Cotton Belt	.....	.05	.....	.....	.....
1	.06	.01½	Dalhousie Mines	13,000	.02	.03	.03	.03
No	2.07	.25	Dentonia	7,150	.58	.50	.55	.55½
No	.07½	.06½	Dictator	10,200	.07½	.07½	.07	.07½
1	.45	.14	Dunwell	1,360	.23	.23	.20	.21½
No	.44½	.12	Fairview Amal.	12,850	.16	.18	.16	.17
1	.12	.07½	Federal Gold	.....	.10	.....	.....	.....
1	.42	.25	George Copper	.....	.25	.....	.....	.....
50c	.02½	.01½	George Enterprise	.....	.01½	.....	.....	.....
1	.06½	.01	Georgia River	2,000	.01½	.01	.01	.01
50c	.08	.01	Glacier Creek	3,500	.04	.04½	.04	.04½
1	.63	.33	Golconda	17,550	.34	.39	.35	.36
5c	.20	.13	Golconda Ex.	.....	.13	.....	.....	.....
50c	.63½	.30	Gold Belt	1,800	.38	.35	.34	.34
50c	.51	.30	Gold Mountain	2,400	.42	.42	.40	.40
50c	.06	.02	Grandview	.....	.02	.....	.....	.....
No	.38	.16	Grange Mines	10,290	.25	.25	.23	.24
1	.50	.07	Grull Wihksne	8,000	.09½	.09	.08½	.09½
No	.16	.04	Haida Gold	500	.08	.07½	.07½	.07½
25c	5.80	5.25	Hecla	.....	5.25	.....	.....	.....
50c	.33	.18	Hedley Amal.	7,150	.32	.34	.32	.32
No	.29	.10	Hedley Sterling	.....	.10	.....	.....	.....
1	.09½	.04	Hercules Cons.	31,500	.04	.04½	.04½	.04½
No	.28	.07	Home Gold	6,300	.15	.15	.14	.15
1	.04	.01½	Independence	.....	.02	.....	.....	.....
1	.04	.01½	Indian Mines	.....	.02½	.....	.....	.....
1	.15½	.10	Inter'ti Coal	.....	.13	.....	.....	.....
1	.42	.29	Jack Waite	.....	.31	.....	.....	.....
50c	.65	.19	Kootenay Belle	500	.47	.48	.48	.48
25c	.02	.00½	Kootenay King	.....	.00½	.....	.....	.....
1	.01½	.00½	Lakeview	43,500	.01	.01½	.01½	.01½
10c	.06	.02½	Lucky Jim	.....	.03	.....	.....	.....
No	.40	.11	Mak Siccar	.....	.26	.....	.....	.....
50c	.01½	.00½	Marmot Metals	.....	.00½	.....	.....	.....
10c	.33	.08½	Meridian Min.	32,300	.12	.13½	.10½	.10½
5c	.04	.03	Metaline Metals	.....	.03½	.....	.....	.....
No	.85	.13	Minto Mines	98,070	.25½	.28	.24	.24
1	.27	.26	Mont'y Ackerman	.....	.27	.....	.....	.....
50c	.46½	.13	Morning Star	16,300	.18½	.18	.15	.16
1	.05½	.00½	Morton Woolsey	5,000	.01	.01½	.01½	.01½
50c	.09	.03	Nationa' Silver	23,000	.03½	.03½	.03½	.03½
50c	1.36	.20	Nicola	18,950	.30	.31	.30	.30
50c	.17	.06½	Noble Five	35,750	.07	.07½	.07	.07½
No	.25	.10	Norgold	21,200	.23	.25	.24	.25
1	.54	.12½	Pavilion	3,000	.47	.47	.46	.47
1	14.25	11.00	Pioneer Gold	985	12.50	12.75	12.45	12.75
50c	.18	.06½	Porter Idaho	1,750	.09½	.08½	.08	.08½
No	.02½	.00½	Premier Border	11,000	.00½	.00½	.00½	.00½
1	.06	.03	Quatsino Copper	.....	.03	.....	.....	.....
50c	.19	.06	Red Hawk	.....	.06	.....	.....	.....
No	.27	.09	Reeves McDonald	.....	.13	.....	.....	.....
1	1.25	.75	Reno Gold	9,000	.96	.92	.87	.87
1	.15	.04	Reward Mining	2,500	.06	.07	.06	.06½
No	.27	.09	Richfield Cariboo	.....	.09	.....	.....	.....
1	.03½	.01	Rufus Argenta	.....	.01½	.....	.....	.....
1	.05	.02	Ruth Hope	.....	.02½	.....	.....	.....
1	.55	.25	Sally Mines	1,600	.32	.33	.33	.33
50c	.35	.10	Salmon Gold	9,600	.15½	.20	.18	.19
1	.09	.04	Silverado	.....	.04	.....	.....	.....
25c	.04½	.02	Silvercrest	2,000	.02½	.02½	.02½	.02½
20c	.17	.04	Silversmith	2,500	.10	.11½	.11	.11
50c	.03½	.01	Snowflake	5,500	.01	.01½	.01½	.01½
25c	.04	.02	Sonora	.....	.04	.....	.....	.....
1	.45	.13	Standard Gold	.....	.13	.....	.....	.....
10	8.65	4.75	Sunshine	1,000	8.20	8.65	8.00	8.65
1	.28	.20	Sunloch	.....	.20	.....	.....	.....
No	1.20	.32	Taylor Bridge	5,900	.41	.40	.36	.36
1	.65	.35	Taylor Windfall	3,100	.43	.43	.42	.42
5	.25	.20	Toric	.....	.20	.....	.....	.....
50c	.28	.04½	United Empire	14,700	.20	.25	.19	.19
No	3.50	1.40	Vidette Gold	5,885	1.75	1.85	1.50	1.81
No	.21½	.05	Viking Gold	22,500	.07½	.10	.07½	.09
No	.27½	.08	Waterloo Gold	9,250	.10½	.11	.10	.10½
25c	.03	.01	Waverly Tangier	11,000	.01½	.01½	.01½	.01½
50c	.47	.06½	Wayside	51,050	.07½	.11½	.07½	.11½
20c	.03½	.01	Wellington	.....	.01½	.....	.....	.....
No	.44	.20½	White Eagle	.....	.21	.....	.....	.....
1	.10½	.04	Whitewater	4,750	.05	.06	.05	.06
			OIL STOCKS					
1	.15½	.06	Amalgamated	500	.10	.08	.08	.08
1	.08	.03	Anaconda	9,000	.04	.04½	.04	.04
1	.10	.07	Brit. Dominion	.....	.09	.....	.....	.....
1	.11½	.05	Crow's Nest	16,300	.07	.07½	.07	.07½
No	.09½	.03	Devenish	.....	.05	.....	.....	.....
No	.01½	.00½	Fabyan Pete	19,000	.00½	.00½	.00½	.00½
No	.16½	.06	Freehold	.....	.08	.....	.....	.....
No	.13	.04	Hargal	.....	.04½	.....	.....	.....
No	.35	.14	High Sarcee	1,000	.18	.17	.17	.17
No	.05	.00½	Madison	.....	.00½	.....	.....	.....
No	.35	.08	Marion Oil	4,000	.12	.10½	.08½	.08½
No	.05½	.02½	McD. Segur Ex.	2,000	.02½	.02½	.02½	.02½
1	.47	.25	McLeod	900	.31	.32	.32	.32
No	.22	.12	Mercury	8,550	.13	.15	.13½	.15
No	.22	.10	Mill City Pete	.....	.10	.....	.....	.....
No	.18	.05	Okalta	1,000	.05½	.05½	.05½	.05½
100	30.00	18.00	Do., pref.	.....	30.00	.....	.....	.....
No	.17	.05	Pacalta Oil	.....	.06	.....	.....	.....
1	.75	.14	Ranchmen's	.....	.70	.....	.....	.....
No	.04	.02½	Richfield	.....	.02½	.....	.....	.....
1	.42	.20	Spooner	575	.29	.30	.27	.27
No	.11½	.04½	United	2,000	.04½	.04½	.04½	.04½
No	.50	.11	Vanalta	5,500	.12	.13	.12	.12
1	.20	.10	Vulcan	.....	.10	.....	.....	.....
1	.35	.07½	Wellington Oil	.....	.07½	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Acme Gas†	2c.	.....	McIntyre	$2	4.54
Ajax Oil	8c.	8.24	Mercury Oils‡	4c.	.....
Bralorne	60c.	4.09	Merland Oils‡	5c.	.....
Bulolo Gold‡	60c.	.....	Model Oils	3c.	.....
Coast Brew.	92c.	9.94	Nipissing	12½c.	.....
Coniagas‡	12½c.	.....	Noranda‡	$1	.....
Cons Smelters	1.00	.....	Petrol Oil‡*	1c.	.....
Dome Mines	$2+$1.50	8.33	Premier	12c.	9.67
Falconbridge	5c.	.....	Pioneer, B.C.	80c.	6.55
Goldfield Cons.‡*	5c.	.....	Royalite	50c.	3.62
Hollinger	65c +60c.	5.86	San Antonio†	5c.	.....
Howe Sound	$3	.....	Siscoe	12+5c.	5.63
Howey Gold	6c.	.....	So. Amer. Gold	10c.	.....
Int. Coal & Coke‡	1c.	.....	Sylvanite	20+5c.	9.09
Int. Nickel c.	15c.	.....	Teck Hughes	60c.	9.60
Lake Shore	$2+$1	5.35	Toburn	8c.	.....
			Wright-Har.	40+15c.	5.85

‡Interim. †Initial. *Paid in 1933.

Unlisted Mining Stocks

September 11, 1934

	Bid	Asked		Bid	Asked
Arntfield Gold	.83	.89	Long Lac Lagoon	.30	.34
Arntfield Synd.	.80	.90	Lamaque Gold	2.10	2.20
Ballor Gold	.15	.20	Lamaq. Cont. U	110.00	135.00
Bankfield Gold	1.07	1.12	Langmuir L. Lac.	.28½	.30
Bathurst	.02½	.03½	Long Lac Synd.	1.90	2.25
B. C. Nickel	.68	.72	McFarlane L. Lac	..	.33
Beattie	2.05	2.15	McQuaig	.20	.25
Big Long Lac	.15	.18	MacL. Cockshutt	.76	.81
Bur-Ley Long Lac	.15	.20	Magnet Lake	.25½	.27
Burroughes Long Lac	30.00	34.00	Marbuan	.70	.75
Canusa Mining	.06½	.08½	Matachewan Can.	.16½	.18½
Casey Contact	.39	.42	Metals Devel.	.06	.08
Casey Summit	.63	.68	Middle Bay	..	.27
Cent. Porc.	.49	.51	Minefinders	2.00	3.50
Cochenour Wil.	125.00	150.00	Montague Gold	3.50	4.00
Columario (old)	.19	.23	Murwood	.35	.40
Continental Kirk.	.08	.10	Mosher Gold	.31	.34
Crown Reserve	.03	.05½	Neville Can.	.49	.53
Cuniptau	.35	.45	Payore Mines	.26	.30
Dennison Cop.	.02	.04	Pontiac Rouyn	.46	.56
Dunlop Cons.	.05½	.06½	Powell Rouyn	1.07	1.13
El Bonanza	.18½	.20½	Rice Lake	..	.36
Empire Gas	.47	.52	Rouyn Reward	..	.45
Forty-Four Gold	10.00	12.00	Roche Long Lac	.22	.24
Four Nation's	.12	.14	Rubec	.01½	.02
Frontier Red Lake	.27	.29	Sakoose	1.01	1.04
Glenora Gold	..	.25	Sigma	2.75	2.90
Gold Eagle	..	.50	Smelter Gold	.20	.22
Golden Long Lac Unit	33.00	37.00	So. Shore Gold	22.50	30.00
Gr. Bear Lake M.	.15	.20	Tashota Goldfield	.52	.60
Gabrielle	.69	.72	Tiblemont Island	.80	.90
Hardrock	.94	.98	Toburn	1.50	1.56
Hardrock Un.	86.00	92.00	Vanguard Long Lac	.24	.28
Horseshoe	.04	.06	Vermilion L. Sh.	26.00	29.00
Herbin Lake Un.	21.00	23.00	Wendigo	.80	.90
Island Lake	.08	.10	Witch Bay Gold	..	5.75
Keyroc Gold	.17	.19	Wells L. Lac	..	.25
Lake Caswell	.40	.42	West-Side L. Lac	.20	.23
La Roche Contact	.09	.13	Wingold	.41	.45
Lafayette L. Lac	..	.18	Young David	.35	.37
			Young Munro	.04½	.07

Source of quotations on application. Not guaranteed.

Winnipeg Stock Exchange

(Transactions from Aug. 30 to Sept. 8)

Div. rate in $	Yield in %		Sales	High for period	Low for period	Close Sept. 8
..	..	Adanac	6,000	.35	.30	.31
..	..	Bankfield	100	1.12	1.12	1.12
..	..	Bruce Cons.	300	.23	.23	.23
..	..	Bathurst	2,000	.03	.03	.03
..	..	Gabrielle	3,950	.74	.67½	.72
..	..	Island Lake	2,950	.10	.09	.09
..	..	Juno Gold	275	1.50	1.45	1.45
..	..	Long Lac Adair	1,100	.35	.30	.30
..	..	Kingfisher	200	.27	.27	.27
..	..	Kootenay Nevada	500	1.00	1.00	1.00
..	..	McLeod Cockshutt	100	.96	.96	.96
..	..	Normandy	128	8.00	7.50	7.75
..	..	Oxford Lake	60	3.00	3.00	3.00
..	..	Oro Grande	1,000	.10	.10	.10
..	..	Rice Lake Units	13	25.00	23.00	23.00
..	..	Shawkey	8,700	.50½	.48	.50
..	..	Toburn	120	1.50	1.50	1.50
1	9.5	United Grain	10	.10½	.10½	.10½
..	..	Scotia Gold	14,900	.29½	.27	.28
..	..	Vanson Manitoba	5,600	.35	.32	.35
..	..	Wingold	4,700	.52	.46	.46
..	..	Wendigo	150	.92	.92	.92

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Fire	..	100	Sov. Life 25% pd.	..	15
Beaver Lumber, pf.	..	63	Traders' Bldg.	60	..
Crescent Cream. pf.	..	25	West. Breweries	1½	2
Great West Life	350	..	Can. Amer. Tr. sh.	2.50	2.75
Home Investment	20	..	Can. Inv. Fund	..	3.40
Northern Mtge.	..	5	Fundament. Ser. A	3.75	4.25
Northern Trust	..	15	Fundament. Ser. B	3.50	..
Pelissiers, com.	.25	..	Grouped Inc. shs.	..	3.80
Pelissiers, pref.	..	23			

* Stocks more active on other exchanges not included.

6 sound reasons for investigating the

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News of Canadian Mining Investments

The Week in Mining

Painting The Lily

ANYONE who systematically reads English financial journals cannot but be impressed by the really serious condition which exists in connection with the marketing of Canadian mining securities in that country.

In nine cases out of ten, mining companies which receive a black eye in the Old Land have no one to blame but the financial agent who sponsors the stock in that country. One hears a lot about "high pressure" security salesmen from United States mulcting Canadians with unsound stock. But little is said about the English high pressure boys who are mulcting Englishmen by sensationalizing sound Canadian mining ventures. This latter condition is worse because it is directly responsible for the indisputable fact that Canadian mining ventures are not, on the whole looked on with as much favor by the British public as they should be. The harm which this is doing Canadian mining cannot be estimated.

Two such cases are mentioned by the Investors' Chronicle and Money Market Review, of London. One of them is Hudson Patricia, formerly the Metal Development Co. There is nothing particularly wrong with the management of this company. The property is a prospect, in the development stage only. Sold on that basis, its securities have as much attraction as the next one.

But when it is called by its London sponsors a "developed proven mine" recommended for purchase in England at 4s., (the price here is about 70 cents) and sold by "boiler house" methods, the impression is created among English investors that it "is just another phoney Canadian mine."

Another Canadian mining stock sold in London under doubtful sponsorship is stock in Foster Ledge Gold Mines. This offer is criticised by the Investors' Chronicle on the grounds that it conveyed an adverse impression owing to the vague manner in which the finances of the company were detailed, and also in view of the extreme optimism displayed by vendors of the stock. While this stock can be picked up in Vancouver at about fifty cents per share, it was offered in London at 5s.

It is such tactics as these that cause many Britishers to think only of "wildcats" in connection with the buying of Canadian Mining. In the case of unsound mining stocks it is fraud; in that of sound stocks it is, at best, painting the lily.

* * *

"Red Tape" A Boon

PROMOTERS of certain Canadian mining ventures seeking entry into the United States investors market, have, in conversation with The Financial Post, complained about the rigidity with which the administrators of the U S Securities Act review the offering and the company's set-up. This, they complain, causes aggravating delay, and is nothing more nor less than "red tape."

This point of view seems to be a narrow one. It has been estimated that the U. S. act has saved the American investor enough to justify, several times over, the cost of its existence. Many fradulent promotions have been quashed by compelling promoters to give real proof of the amount paid for properties, of conditions at the properties, etc. When it is realized that a total of 1,045 registration statements were filed with the Federal Trade Commission at a certain date of which only 750 were passed, it can be seen that this insistence on fact and proof is an inestimable boon to the sound promoter, inasmuch as it gives his security a stamp of approval which must be of great benefit to him in selling it.

* * *

Index to Mining Stocks

THE weighted index number of twenty-three mining stocks computed by the Dominion Bureau of Statistics on the base 1926—100, was 143.3 for the week ending September 6, as compared with 142.4 for the previous week.

Nineteen gold stocks rose from 138.8 to 140.1, and four base metals stocks fell from 163.0 to 162.3.

Among the gold stocks weekly average prices behaved as follows: Brazorne mounted from $14.96 to $15.15, Dome from $42.73 to $43.53, Hollinger from $19.31 to $19.59, Howey from $1.27 to $1.29, Kirkland Lake from 68 cents to 70 cents. Lake Shore from $55.08 to $56.31, Macassa from $2.82 to $2.88, and McIntyre from $45.96 to $46.72. Central Manitoba declined from 12 cents to 10 cents, Coniaurum from $1.42 to $1.38, Granada from 63 cents to 61 cents, Reno from 93 cents to 90 cents, San Antonio from $5.40 to $5.37, Teck-Hughes from $6.69 to $6.47 and Wright-Hargreaves from $9.66 to $9.62.

In the base metals group, Base Metals fell from 95 cents to 94 cents, Falconbridge from $3.94 to $3.88 and Noranda from $41.93 to $41.77, while Hudson Bay remained unchanged at $14.33.

Mill for Long Lake Mine Meets Temporary Delay

From Our Own Correspondent

SUDBURY.—While the structure itself was completed ahead of schedule, some delay has been experienced in the erection of the filter and tank equipment for the mill at the Long Lake mine, eight miles from Sudbury, under construction for Lebel Oro Gold Mines, owners of the property. This was however, on the way, however, and should be delivered to the scene of operations by the middle of the month. With the time necessary to install the balance of the equipment, it is thought it will be the end of September before the mill is ready for operation.

Material and equipment for the mill, of 200 tons capacity, have been transported down Long Lake on pointoons. Good time has been made in the work of construction, which was started the last week in June. Shoemaker & Burnham, of Toronto, have been in charge, and the work has been superintended by D. J. Morrison.

LAKE SHORE SETS ALL TIME RECORD IN OUTPUT VALUE

Earned $5.07 Per Share Against $3.61 in Previous Years

LIQUID ASSETS UP

Company Shows Working Capital of $9,191,324, as Compared with $5,311,-089 in 1933

The full force of the increased price in gold was behind the profits of Lake Shore Mines, during the fiscal year ended June 30, with the result that the annual report of this famed mine shows net profit for the period ot $10,145,705, or earnings per share of $5.07, as compared with a net profit in the fiscal year ended June 30, 1933, of $7,215,193, or $3.61 per share.

The following is a comparative income and surplus account for the past two years:

INCOME AND SURPLUS ACCOUNT
Years Ended June 30

	1934 $	1933 $
Operating income:		
Bullion production .	10,026,451	11,406,308
Add: Ex. on bullion .	6,355,823	1,871,378
Less: Spec. bul. tax .	372,459	......
	16,009,815	13,277,686
Less oper. exps.:		
Dev., mining, milling & gen. exps.	4,161,344	4,412,502
Adminis.	82,341	82,366
Oper. earnings	11,766,130	8,782,818
Non-oper. inc., int., etc.	135,736	136,401
Net earnings	11,901,866	8,919,219
Less reserves:		
Provision for taxes .	936,499	922,181
Deprec.	819,662	781,845
Net profit	10,145,706	7,215,193
Less approp.:		
Dividends & bonus .	6,000,000	6,000,000
Surplus for year	4,145,705	1,215,193
Add: Prev. surplus ...	5,702,233	4,529,509
Less: Addit. inc. taxes	......	42,469
Disc. on shares w/o .	667,797	......
Props. acquired w/o	680,750	......
Balance car. forward .	8,499,391	5,702,233
Earnings per Share:		
Earned	$5.07	$3.61
Paid	2.00+1.00	2.00+1.00

Production figures reveal that the actual receipts from the bullion recovered sets a new high record for any mine in Canada, on a yearly basis. Since the total production was 836,991, tons, the average value per ton was $19.75. The average milling rate for the year was 2,295 tons daily, as compared with an average rate for the previous period of 2,180 tons per day.

Production since the company started operations to the close of the fiscal year, June 30, last has been as follows:

Production Summary
Fiscal Years

Year	Tons milled	Recovery val. per t.	Bullion prod.
1918	14,948	$24.73	$ 369,680
1919	11,907	24.73	294,514
1920	18,889	25.61	483,702
1921	21,681	21.22	460,186
1923	36,825	22.63	883,664
1924	24,223	23.97	578,242
1925	96,838	18.72	1,812,495
1926	125,676	17.79	2,235,184
1927	214,335	14.48	3,105,048
1928	237,962	15.25	3,629,318
1929	367,015	14.99	5,504,859
1930	467,648	14.06	6,576,781
1931	698,624	13.10	9,152,935
1932	834,434	14.80	12,356,759
1933	797,673	14.30	11,406,309
*1934	836,991	19.75	10,026,451

* Gold at $20.67.

Production costs for the year were reduced from $7.77 per ton in 1933 to $6.05 in 1934. The following shows distribution of these costs:

Production Costs Per Ton

	1934	1933	1932
Develop.	$ .55	$1.11	$1.20
Mining	2.96	2.87	2.53
Milling	1.21	1.26	1.18
*Mktg. and taxes	1.18	1.24	1.27
Gen. and adminis.	.27	...	...
Operating cost	6.17	6.79	6.43
Depreciation	.97	.98	.88
Total cost	7.14	7.77	7.31

*Exclusive of bullion tax.

An increase was also shown in broken ore reserves, which, at the end of June, totalled 230,858 tons, with a value of .81 ounces per ton. Last year, the annual report showed broken ore reserves were 219,859 tons. It is stated in the report that reserves of ore in place were fully maintained. At the time of the annual report, these had considerably increased.

E. W. Todd, superintendent, states that during the year particular attention was paid to further development of levels above the 2,000-ft. horizon, and especially to more intensive exploration of No. 1 vein, with the result that the proportion of mill feed derived from this vein increased from 14 per cent at the beginning of the fiscal year, to 40 per cent of the total at the end. Mr. Todd points out that much of the ore recovered from upper levels was opened up with a limited amount of development work, usually consisting of short drifts, etc.

It is stated that the increased price of gold makes available a considerable quantity of low grade ore, thus obviating the immediate necessity for intensive exploration in lower horizons.

Strong Liquid Position

Centering in the area on No. 1 vein between the 1,800-ft. level and the 2,450-ft. level, 7,593 ft. of drifting was done. During the early part of the year, 3,306 ft. of drifting was done on No. 2 vein between the 3,075-ft. level, and the 3,825-ft. level. This work resulted in the opening up 1,852 ft. of ore showing a width in the drifts of 60 inches, containing .36 ounces per ton.

By means of extensive experimental work, and adjustments to the plant of a minor nature, the capacity was gradually increased, Mr. Todd states.

Working capital showed a healthy increase over the 1933 figure, with excess of current assets over current liabilities amounting to $9,191,324, as compared with a working capital of only $5,311,089 at the end of the previous year. Current assets were shown at $10,677,676, with current liabilities of $1,486,352. Current assets at the end of the fiscal year 1933, amounted to $6,715,376, with current liabilities of $1,404,287.

Pioneer Gold Mines—Production for the month of August established a new peak at $282,300. Net profit for the month is expected to be about $190,000. About 400 tons are being milled daily and it is reported that millheads have been running around $21.53.

Canadian Mines Produce $190 Gold Every Minute

Noranda Head Sees Bullion Tax as Heavy Blow to Mining — Industry Boon to Canada

By J. Y. MURDOCH
President of Noranda Mines, in an address to Canadian Chamber of Commerce, Winnipeg.

History tells us that when Jacques Cartier returned to France after landing on the shores of our great Dominion four hundred years ago, he described this country as being rich in furs, timber and minerals. What an observant man he must have been, and how well future developments have proved the correctness of his observations! Just consider the mineral production: Last year Canada's mineral production was valued at $220,502,096—an increase over 1932 of 15.3 per cent and today Canada stands with the rest of the world's mineral producers; first in nickel and asbestos; second in gold, platinum, cobalt, radium and primary zinc; third in copper and fourth in lead and silver.

In considering the advantages of an industry to a nation a good general idea can be obtained by giving thought for a moment to the position that nation would be in if such industry did not exist within its borders. Minerals enter into the manufacture, preparation or as an ingredient of practically everything we use and eat. Take this room we are assembled in. Without Canadian mineral production our imports would have been increased for the purpose of building and decorating this room, for the manufacture of the chairs and tables we sit upon and for the preparation of the food we eat and the implements with which we eat, and for our heating and lighting. Just think how much Canadian mineral production was used to manufacture the means of transportation which brought us here; whether we came by train, motor car or bus, tramway or airplane or yes, even by horse and buggy. In 1933 Canada used mineral products not including iron and steel within its own borders valued at $269,000,-000, and exported these products to an amount of $128,000,000.

Trade Balance Necessity

Add these figures for domestic use to our import figures and subtract from our export total the figures for our mineral exports and one can readily see that the figure of $58,-500,000 representing our favorable trade balance for the first seven months of this year would more than disappear.

And an excess of exports over imports or, in other words, a favorable balance of trade is an absolute necessity to a great nation owing a far greater sum outside its borders than to its own people, which is Canada's position.

Our mineral production has been a great factor in enabling Canada to meet its interest and maturing principal obligations in full, its standing in world production of the minerals which I have previously mentioned are known throughout the world and its phenomenal growth as a producer of gold, that most sought after mineral, has drawn the attention of the financial as well as the industrial leaders of the world to Canada.

Could any of us for one moment think that if it were not for these facts, and Canada's known metal reserves and almost unbelievable potentialities for increase thereof, the world credit position and present borrowing power as well as capital drawing power would be such as Canada now enjoys. The products of the field and forest are subject to many dangers such as drought and fire but mineral deposits are a non-wasting asset and a security like money in the bank. We can be certain world creditors consider these points.

Three Big Assets

Canada's three greatest advertising factors today are the fact of its having met its obligations in full, and consequent high standing of its exchange, and its nickel, copper and gold production.

Now let us take a few moments to look at the direct effect domestically the Canadian mining industry has on our nation.

Think of the mineral production of our provinces; coal, iron and gold from Nova Scotia; manganese, gas, coal, gypsum from New Brunswick; asbestos, gold, copper, silver and ore from Quebec; nickel, gold, copper, silver, radium, platinum, cobalt from Ontario; copper, zinc and gold from Manitoba and Saskatchewan; coal, gas and oil from Alberta; lead, zinc, silver, gold, copper, North and coal, lead, zinc, copper and gold from British Columbia. Consider the numerous plants spread across Canada manufacturing and/or handling machinery, equipment and supplies to the producers of these minerals. Here in Winnipeg you have three large concerns supplying equipment; the Vulcan Iron Works, Manitoba Bridge and Iron and Manitoba Steel Foundries.

What does this mean to our railroads in men employed and revenue: To the end of July our 1934 Canadian car loadings of coal alone totalled 170,916 cars or 4,273 trains of 40 cars each (and this during the season of water navigation). Our 1933 copper production loaded in mining type freight cars would make a train 95 miles long.

Boon to Aviation

Mining has proved to be the greatest factor in the development of aviation in this country. Last year one company of the many engaged in this means of transportation flew over 1,000,000 miles, carried over 2,000,000 lbs. of freight and over 17,000 persons.

Think of the freight generated by the communities built around our mines. In 1933 the pay roll of the men engaged in the auriferous quartz mining branch of the industry alone was over $20,500,000 and will be in the neighborhood of $30,000,000 this year. The average wage per man in this branch in 1933 was $1,600 which, I believe, shows the mining industry pays a higher average wage than any other industry. The whole industry paid out in wages in 1933 the sum of $100,000,-000 and in dividends $30,000,000. I venture to say there is not a community in Canada which does not benefit directly from the activities of the mining industry.

Aids Other Resources

Did you ever stop to think how the opening up of our vast undeveloped farming acreage is supported by the mining industry? Our mines and prospects are as a rule located in outlying and newly settled districts. The settlers sell timber and wood for logging, stulls, building and heating purposes and grain and field products for the sustenance of man and beast. These facts so summarized will show you how the residents of every mining community, every railroad centre and of every community wherein is located any concern manufacturing or distributing machinery equipment or supplies to the industry benefit, but let us think now of the general benefit derived by the farmer because, I believe, the average Canadian farmer does not yet realize what the mining industry means to him.

Perhaps an example of consumption will best illustrate the point I desire to make. In the town of Noranda there is a modern, up-to-date hotel of 40 guest rooms which is, I can assure you, not fully occupied seven, yes, five days of the week and yet in 1933 the consumption of Canadian food products was as follows: Meats, eight tons; fowl, five tons; potatoes, 218 bags; celery and lettuce, 600 dozen heads; fresh tomatoes, three quarters of a ton; tomato juice, 50 cases; canned goods, 100 cases; eggs, 2,200 dozen; cheese, over one quarter ton and three tons of flour; besides 6,200 loaves of bread and 1,500 dozen rolls, taking two tons of butter. In addition they used 6,000 qts. of milk and 2,190 qts. of cream.

These are figures from a partially filled hotel in a mining town catering to transients. What would be the total spent on products of the farm by the mining towns of Glace Bay, Sydney, Thetford Mines, Noranda, Kirkland Lake, Timmins, Cobalt, Flin Flon, Sherridon, Trail, Britannia, Anyox and the many other mining communities in the country, and by the hundreds of prospects being worked across Canada?

Gold Per Minute

Last year Canada produced gold at the rate of $160 every minute and you and I worked, ate, slept and played and this year we will produce over $190 every minute, and the encouraging part is that the industry is rapidly expanding. In 1933 we had 40 gold producers, in the first half of 1934 the four major gold producing provinces, Quebec, Ontario, Manitoba and British Columbia brought into production fifteen new mills. We have 10 announced for September and by the end of this year should have 80 or double the number we commenced the year with.

This large increase in the number of gold producers is to a great extent the result of the rise in the prices of gold. The rise not only stimulated the search but made ore profitable which would otherwise have remained rock and another important result of this promotion of formerly waste material to ore, and consequent immense addition to our country's gold reserves is the lengthening of the life of our established mines and the mining communities built around them. This is, of course, of untold benefit to the Dominion, but unfortunately the recent Dominion tax on bullion has depreciated this benefit which arose by reasons of conditions outside Canada, and means cutting off millions of dollars of production, stopping exploration of millions for extraction and cutting down the otherwise prospective life of mines, communities and employment. Remember there is probably not a gold mine operating in Canada which does not have ten tons of low grade for every ton of high grade ore.

Had I had more time I could have elaborated on the expenditure of $750,000,000 in mining plants and equipment, on the $45,000,000 expended for operating costs in 1933 by only five of the mining companies; Consolidated Smelters, Hudson Bay, International Nickel, Noranda and Dominion Coal; could have pointed out what one mine coming into production means (here in Manitoba you have Hudson Bay expending over $25,000,000 and San Antonio expending nearly $1,500,000 prior to production). I could have told you of the advertising value derived from shipment of Canadian mineral products and fabrications thereof to every important seaport in the world, of Australians, New Zealanders, South Americans, as well as Europeans receiving their radio broadcasts over Canadian copper and of we Canadians now using at the rate of our own copper for telegraph, telephone and radio and lastly of the huge expenditure for power plants and electrical energy by the mining industry.

ENGLISH EXPERTS SEE POSSIBILITIES FOR CARIBOO GOLD

Report of McCarthy & Binns Cheers Officials of B.C. Mine

From Our Own Correspondent

VANCOUVER. — Assurance by McCarthy & Binns, mining engineers of London, that Cariboo Gold Quartz property may be regarded as having possibilities of a big mine with large production and a long life has been cheerfully received by management of the mine. Coming as a sequel to the somewhat bearish report on the property by Ira B. Joralemon, of San Francisco, the London report is especially welcome. It is contended that the McCarthy & Binns data, containing the findings of J. Norman Wynne, British engineer, may be regarded as the most exhaustive and authentic that has been prepared on Cariboo Gold Quartz.

Dr. W. B. Burnett, president of Cariboo Gold Quartz, said that the report justified the company in its past policies and in its plans for the future. He said that the present mill had never been regarded as more than a pilot plant, and that a mill with a capacity of 500 tons to 1,000 tons would eventually have to be built.

Urges Underground Work

The report recommends that the company concentrate on underground work for the next few months, and this programme has already been adopted by the company, according to Dr. Burnett. The report suggests that the company should carry on underground work with a view to blocking out reserves even to the extent of possibly curtailing mill operations. While general conditions point to the possibility of a larger plant, there is not at present enough ore in reserve to warrant such steps, according to Mr. Wynne; and for that reason underground work should be proceeded with as rapidly as possible. Mr. Wynne says that about 40,000 short tons of an average grade of about 8.0 dwts. are indicated over an average width of 34 inches. As there are 20 dwts in an ounce, the values referred to are four tenths of an ounce.

The vein systems should persist at great depth, Mr. Wynne believes.

R. E. Binns, in his recommendation, states that geological deductions "certainly indicate that the deposits are of deep-seated origin and will live to great depth."

Mr. Binns anticipates good results from the B. C. vein, which has not yet been developed; but that even should that fail the cross-vein system should provide about 10,000 tons per month for a treatment mill of reasonable size.

Mr. Wynne, who made the chief examination of the Cariboo Gold Quartz property, spent a month at the mine and a week in Victoria and Vancouver. He took with him samples which were tested in England.

Much of the report is of a highly technical nature, but Mr. Wynne's conclusions are set forth as follows:

Exploratory Stage

"It is important to bear in mind that the mine is only in the exploratory stage, and definitely should not be regarded as a producer. Milling operations, although of the greatest importance, should be subordinate to development. Although I do not consider it possible with the present state of development to make any accurate computation of ore reserves, I think it safe to state that the ore indicated in the workings should be ample to supply the mill for many months ahead.

"Costs have been high in the past, but with the development of the property in charge of an experienced technical manager, these should show an appreciable improvement. It is evident that operating costs generally will need to be further reduced if only satisfactory profit is to be attained on the present scale of operations.

"Only a fractional portion of the company's mineral claims has as yet been explored. The Pinkerton series of lodes has just been reached, and developments of this group should prove highly satisfactory. The B. C. vein lies within easy reach of two points on the main adit, and this should be tapped and explored as soon as possible. I shall be surprised if this wide lode does not eventually provide a large, profitable tonnage of ore.

"In short, I am satisfied that the property of the Cariboo Gold Quartz Mining Company Ltd. is a most promising one and definitely warrants and should amply repay prudent exploration and systematic development."

Murwood Gold Offers New Treasury Issue

Murwood Gold Mines, owning 21 claims in the northern part of Tiblemont Twp., Quebec, is currently offering through H. R. Bain & Co., 300,000 treasury shares at 40 cents a share. The purpose of this issue is for further development work and to have the necessary funds available in the event that a mill is warranted. In June of this year, the company offered 500,000 treasury shares at 30 cents a share.

Murwood has an estimated ore reserve of between 100,000 and 150,-000 tons with grade approximately $15 per ton, according to James A. Griffith, secretary-treasurer. A shaft on the property has been sunk by hand labor to a depth of 15 ft. preparatory to sinking a compartment shaft. Hoist and compressor have been installed and other camp buildings will be completed in the near future, the company states. The company is capitalized at $3,000,000 in $1 par value shares, of which 1,350,000 shares have been issued and pooled; 500,000 issued in June, leaving, inclusive of this issue, 850,000 shares in the treasury. The president of the company is A. J. Gillies; secretary-treas., J. A. Griffith, and directors Dr. F. R. Bennetto, Hamilton; Benjamin Meen and Robt. Fennell, K.C., Toronto.

Vidette Recovery High In Spite of Breakdown

From Our Own Correspondent

VICTORIA.—Recovery for August at Vidette Gold Mines was exceptionally high, in spite of the fact that the cone crusher was out of commission for nineteen days during the month, reducing the milling rate far below normal, according to an official report by the management.

During the month 618 tons of ore were treated, giving 353 ounces gold and 780 ounces silver.

In addition to this it is understood that 87 ounces of gold are tied up in the new Dorr thickener recently installed, making the total for the month $14,242.

Jack Hammell vs Jack Frost Fight in North

One of those hand-to-hand tussles with Nature which makes mining interesting and J. E. Hammell happy, is at present going on in the Patricia area of Northern Ontario.

It is expected that the Marine Railway at present being constructed by the Ontario Hydro Commission, Pickle Crow and Central Patricia Gold Mines, jointly, will be ready for operation by the first of October. Since the freeze-up generally sets in toward the end of the month, the two mining companies are faced with the problem of getting their equipment across Lac Seul and Lake St. Joseph in big scows before the lake becomes frozen. While ultimately the railway will transport these scows in toto, the present arrangement is to unload them into smaller scows carried by these railways.

Since the hydro hopes to transport certain equipment for its Albany River development, there will be in all about 1,000 tons of equipment and machinery. The objective in this tussle is Osnaburgh House at the head of Lake St. Joseph. Once the equipment arrives there, it will be transported by winter route overland to Pickle Crow and Central Patricia, a distance of about 25 miles.

The enormous job of rushing the heavy equipment over this route ahead of winter's swiftly moving shadow is one that will and can be solved, officials of the two companies involved assured The Financial Post. The Pickle Crow Mines needs the equipment in order to start erection of its mill, while Central Patricia is planning on an extension and an addition to its present plant.

Jack Hammell vs. Jack Frost—they're off!

SASK. GOLD FIND IN BLEAK AREA CAUSES BIG STIR

Only Unofficial Reports Behind News of Strike Near Beaverlodge

From Our Own Correspondent

REGINA.—Northwest Saskatchewan's latest gold find at Beaverlodge, 54 miles east of the Alberta-Saskatchewan boundary on Lake Athabaska will, according to early reports, be the province's 1934 mining sensation.

No official reports are yet available from the Saskatchewan department of natural resources. Information so far has been gleaned from prospectors who have given out statements at Fort Chipewyan and they all rate it highly.

Gerald D. Murphy, of the Murphy Services, on his return to Edmonton, stated that about 20 from Fort Chipewyan have gone to the find. He and his partners staked 15 claims which show great promise. Mr. Murphy has sent samples to Toronto. The Consolidated Mining and Smelting Company has a staff of men in the field. They flew in from Trail when word of the find was brought out.

Area is Wild

The region around this territory has been regarded as inaccessible. It contains hills as high as 2,000 ft., thick bush and muskeg and has rarely been travelled over in summer. It is said that traces of gold, silver, copper, nickel and lead are reported to have been found.

The Saskatchewan resources department has sent out a large number of filing claims to the region and it is expected that heavy recordings will be made before the snow falls.

Among those who have gone in outside of the C. M. and S. crew are J. P. Dolan, in charge of operations at the Great Bear Lake mine; Lewis McDougal of Sun Bear and W. E. Airth, consulting engineer from Great Bear Lake mineral field. Harry Lewis has taken in supplies and equipment for the party.

Exact location of the discovery as reported by the Saskatchewan resources department is north latitude 59.20, longitude 108.30.

Buffalo Ankerite Profits $127,286 Gross in 6 Mos.

Buffalo Ankerite Gold Mines for the first half of the current year shows gross profits of $127,286. For the 14 months immediately preceding, the company's gross profits were $165,079.

The company is at present preparing to step up the mill capacity from 300 to 500 tons per day, involving an expenditure of $75,779. This development was charged against earnings while other charges included $19,873 depreciation. The financial statement of the company recently released shows prior developments written down at $3,305.

After deducting all charges operating profit was $38,601, to which was added other income of $8,899, making a total profit for the half year of $47,500. From this figure is deducted other expenditures of $12,-324, leaving a net profit of $35,176.

For the first half of the year bullion production amounted to $347,-752 or a rate of $57,950 per month. The company reported that earlier in the year it sold 20,000 shares of treasury stock bringing the total issued capital to 571,907 shares.

Report Columario Mill Now Being "Tuned Up"

Columario Consolidated Gold Mines operating at Usk, B.C., is in the process of tuning up its mill, The Financial Post is informed by H. P. Mills, secretary-treasurer of the company. Mr. Mills states that John Willman, mine manager, reported on Sept. 4 that 55 tons of rock and low grade rock was run through the mill in two shifts. Mr Willman states that the mill is handling about 50 tons per day and is about ready to start operations, and that the tramway is operating satisfactorily. The haulage tunnel was completed some time ago. The company reports that raises are holed and chutes full of broken ore ready for the mill.

Teckotto Finally Gets Permit to Sell Stock

The Ontario Securities Commission has now granted Teckotto Gold Mines permission to continue sales of their shares, The Financial Post is informed by E. S. Sayer, underwriter. Sales of the stock were recently stopped on the ground that reports from the property were too old to suit the Commission. Since then the company has a report from D. H. Orser, consulting mining engineer dated August 14, 1934, and a report dated June, 1926, prepared by Reginald E. Hore. Under the underwriting agreements outlined to The Financial Post by Mr. Sayer, 200,000 shares of the company's stock were to be offered at 30c. for a limited period to net the company about 12c. a share. The price of shares would then be increased by stages up to 60 cents per share The properties of the company were formerly operated by the Swastika Mining Co.

Metal Prices

New York—Sept. 11—
Copper: Electrolytic spot and future, 9c.
Silver: 49¼c.

London—Sept. 11—
(Long Ton)—
Copper: Electrolytic spot, £30 10s; future, £30 15s. Standard spot, £27 7s 6d; future £27 15s.
Tin: Spot, £228 2s 6d; future, £226 7s 6d.
Lead: Spot, £10; future, £10 7s 6d.
Zinc: Spot, £12 10s; future, £12 15s.
Silver: 21⅛d. per ounce.
Gold: 140s 3½d.

Canada—Sept. 11—
Gold: $34.04.

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Wayside to Build 50-Ton Pilot Mill

Directors of Wayside Consolidated Gold Mines, which was recently very much in the spotlight following disappointing reports made by Ira B. Joralemon and Colonel F. Yuill, have decided on the immediate construction of a pilot mill, of 50-ton capacity, which has been urged by David Sloan and Frank Eichelberger, New York promoter of the property. It was also decided to sink on ore from the fifth level to intersect at 100 ft. one-half oz. ore found in diamond drill holes and mentioned in the Yuill examination. The mill is now being assembled, according to F. R. Ritchie, managing director of Wayside, and it is expected to have it in operation in 60 days.

The investigation brought on by the Wayside Protective Committee is at present being conducted by Commissioner Fraser, of Vancouver, B.C., representing the British Columbia Government.

SUPERIOR GOLD TO START MILL EARLY OCTOBER

Engineer Thinks Best Bet Contained in Stope Ore

Superior Gold Mines, who recently acquired the old Providence Mines, comprising about 50 acres near Greenwood, B.C., announces that a 50-ton mill is being installed on the property and expected to be completed and operating by the first week in October. It is stated that all other equipment, such as air compressors, etc., is on the property, sufficient to employ 25 men.

N. M. Reese, consulting engineer of Seattle, is in charge of operations of Superior Gold Mines at Greenwood, both the North Star and the Providence.

This company also owns and operates six producing wells in the State of Montana and equipment estimated to be worth $150,000 with a net production of about 3,000 barrels per month. The company informs The Financial Post that the net earnings from this property are approximately $2,500 per month.

Opportunity in Stopes

In reporting to directors regarding the Providence mine, Mr. Reese states that the vein has been mined for over 1,000 ft. in length along the strike above the 400 ft. level. He states that no ore remains unmined above the 400 ft. level and "the only possibility is in the fine material left in the stopes that could be drawn for milling, as for instance, a sample of the finds from the 300 ft. stope south gave $7.88 per ton gold and silver."

Mr. Reese reports that there are about 10,000 tons of broken ore left on the dumps which sampling showed averaged $3.82 per ton. The large dump contained 18,078 tons of broken ore averaging $3.75 per ton. The lower dump contains 440 tons averaging $7.14 per ton. Mr. Reese deduces that milling grade of $4.80 to $5.00 per ton can be maintained of the broken ore. This would give a total value of ore in place and broken amounting to $224,971.

In conclusion, Mr. Reese states, "based upon the actual assay results obtained from a careful sampling and surveying of the Providence property, may I say that in my opinion the investment for acquiring a five-year lease on this property and for the necessary equipment and milling facilities is well secured, and with economical management the property during the five-year period should show a substantial profit with the speculation of probably developing further rich ore shoots below the present levels which would decidedly enhance the value of the property and its earnings."

WHITE ROCK GOLD MERGES TO FORM NEW DEVELOPMENT

West Shining Tree District Gets New Evidence of Revival

From Our Own Correspondent

SUDBURY.—Still further additions to active operations in the West Shining Tree district are in prospect with the merger of interests just effected, which involves about 240 acres in that field. At a meeting of shareholders of White Rock Gold Mining Co., held in Sudbury, approval was given the proposal to amalgamate the company's interests with those of the Atlas and the Harvey Kirkland Mines. A new company will be formed to institute active development of the merged properties, and it is understood an engineer is proceeding to the field immediately to lay out a programme.

The properties are located about five miles east of Shining Tree and about 25 miles from Westree station. Some years ago the White Rock holdings were under development, a shaft was sunk to a depth of about 170 ft. and approximately 1,000 ft. of lateral work was done on two levels. The Atlas also was the scene of mining operations in the early days of the district. Mining plants, blacksmith shop and camp buildings are on both properties. The Atlas for some time has been owned by the A. J. Young interests.

White Rock Mining Co. was organized in 1919, and is composed of Sudbury interests. When the merger of the three properties is effected it is understood White Rock will be wound up and the stock interest in the new concern will be transferred to its shareholders individually.

CAN. GOLD & METALS SEEKS ENTRY IN U. S.

Application Filed for Registration With Federal Trade Commission

Canadian Gold & Metals Mining Co., whose incorporation was recently reported in The Financial Post, has filed an application for registration with the Federal Trade Commission at Washington.

This company, with its head office at 330 Bay St., Toronto, was organized to invest in gold and other metal mining and allied businesses, proposing to offer 4,525,000 shares of capital stock at $2.50 each or a total of $11,312,500 and 2,262,500 shares of capital stock reserved for warrants at a proposed maximum offering price of $3 a share, and maximum offering of $18,100,000. Loring R. Hoover & Co. of Jersey City, N.J., is the underwriter.

The company's present policy is to invest at least 70 per cent of its capital and paid-in surplus in listed shares or other listed securities of corporations or associations in the mining field and to invest at least 50 per cent in capital in dividend-paying or interest-bearing marketable securities. Among the officers are John W. Hobbs, president, and Claude R. Alderson, both of Toronto, Ontario.

Minto Gold Arranges for Additional Funds

Minto Gold Mines report major changes, including new financial arrangement with Vancouver and Toronto interests, to provide funds for building of a mill and further development. The company is considering, The Financial Post understands, a contract for a 50-ton mill with a Vancouver company. William Warner, secretary, states that the new financing arrangement will provide ample funds for the erection of this mill, and that no treasury shares will be sold for less than 30 cents per share. Mr. Warner also states that the sale of shares during the adverse market conditions of 1932 were limited to 100,-000 shares which netted the company 16 cents. The total outstanding shares prior to the present deal were about 2,100,000. The company reports cash on hand of $30,000 with liabilities of a current nature only. Application is being made to list the shares in Toronto.

In July, 1934, W. A. Davidson, president of the company, estimated the blocked out ore would be 75,000 tons with the completion of the raise being driven from the working level to a level 190 ft. above. The company reports that about $20,000 had been spent on the property prior to acquisition.

A Further Gold Revaluation?

The current issue of "The Mining Chronicle" discusses the trend of world prices for Gold, together with the possibilities of a further rise in value.

This, together with current information on Macassa, Sylvanite, Teck-Hughes, Little Long Lac and other companies, should prove of interest to every mining investor.

Copies forwarded upon request.

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Sylvanite...

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Sheep Flocks Grow

The 1934 census of sheep in New Zealand shows 28,551,000 in the country, an increase of nearly 800,000 over 1933. The number of sheep in Canada in December, 1933, was 2,737,000.

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TORONTO — MONTREAL

CASEY CONTACT PLANS NEW CO. FOR STURGEON

Announces Programme for Developing Brennan & Kenty Property

From Our Own Correspondent

SUDBURY—Preparations are under way for undertaking early development of the east group of claims in the Sturgeon River district recently acquired from Brennan and Kenty Bros. by Casey Contact Mines. A complete camp outfit will be sent in to the property in the near future by airplane, according to John H. Collins, J. G. Kenty and J. C. Finnan, consulting engineer.

Mr. Collins, who is managing director of the Brennan and Kenty Bros. Prospecting Co., states that the agreement under which Casey Contact takes over the property provides for the formation of a new company with a capitalization of 3,000,000 shares. The vendors receive $25,000 cash and 1,000,000 shares of stock in the proposed company. On its part, Casey Contact agrees to proceed with development work and to provide in due course for the erection of a 200-ton mill, ready to operate and with money in the treasury to cover operations.

A geological survey of the property is to be made at once by Dr. McCartney, geologist, and the immediate plans call for the sinking of a shaft without diamond drilling, after the geological map and surface exploration have been co-related. A drilling campaign, however, has not definitely been eliminated from the development programme, but will be undertaken later if thought advisable. J. G. Kenty will be in charge of operations.

TRAIL SMELTERS TREATS 11,511 TONS

1,592 Tons Handled in Week Were From Neighboring Mines

Ore and concentrates received at the Trail smelter of the Consolidated Mining and Smelting Co. for the period August 15 to August 21 amounted to 11,511 tons. Receipts were as follows:

Name of Mine:	Tons
Bosun	55
Bell	47
Dundee	41
Euphrates	8
First Thought	173
Gold Belt	45
Goodenough	114
Granite	32
Highland Lass	47
Kootenay Belle	47
Knob Hill	165
Lucky Thought	15
Morning Star	171
Standard	9
Tom Thumb	113
United Empire	35
Venus Juno	28
Victor	32
Wilcox	56
Wellington	39
Yankee Girl	250
Dentonia (concentrates)	54
Reno (concentrates)	16
Total	1,592
Company mines	9,919
Grand total	11,511

Vancouver Island Gold Discovers New Vein

From Our Own Correspondent

VICTORIA.—The discovery of a new vein known as the "Mac" vein, varying from 6 to 14 inches in width and averaging over a distance of 320 ft. $142 per ton in gold, has been announced by the management of Vancouver Island Gold Mines operating near Port Alberni on Vancouver Island.

The new vein has been traced on the surface for a total distance of over 700 ft. and is now being opened up by a drift tunnel 150 ft. below the main crosscut and immediately across Mineral Creek from the power house. Ore from the vein is to be sacked and shipped direct to Tacoma smelter.

The strike is one of the most spectacular made in recent months in British Columbia. In the 320 ft. intensively assayed a total of 56 assays were taken. Of these 25 were over $100 per ton and nine were more than $300 per ton with the highest $748.

The main crosscut or Belcher tunnel above is reported to be progressing at the rate of 44 ft. per week and is expected to reach its objective at an early date.

Superior Gold Mines Given Mill Site by Greenwood

Superior Gold Mines reports acquisition of 10 acres of land for the mill site for the 50-ton mill they now have under construction near Greenwood, B.C. The city council have given the company clear title to 7½ acres and have also agreed to fix taxation of $25 per annum during the time the company maintains the milling operations.

The company has also acquired clear title to the North Star group of claims, adjoining Dentonia Mines and the development work there is showing a widening of the veins, officials report. Several cars of development ore have been shipped to Trail Smelters, giving returns of about $15 per ton, mine run, unsorted.

Officials estimate that over $224,000 value of ore is on the dump and in the stopes.

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Is Your 'Phone Number On Mooch Taker's List?

The Financial World (New York City) warns Canadians what The Financial Post has long been telling its readers, namely, that hundreds of high pressure stock salesmen and promoters have drifted up to Canada like cattle before a blizzard since stricter security laws have been put on the statute book at Washington.

The migration of the "mooch-takers," or the "boiler room boys"—as The Financial World calls them—is because "the pickings right now are much better in Canada." This explains much of the continuous effort by telephone and telegraph to induce Canadians to go out of sound securities into speculative stocks of little present performance but of glittering possibilities. The glitter is supplied by the "phoney" journalist and specious promoter who play into each other's hands and have so little stake in the country that they can snap their fingers at law enforcement if they can once make a killing. They try to operate just outside the law.

The Financial Post has time and again with articles supported by scores of instances shown how the financial underworld is operating in and from Canada. No attack on the problem has yet been made. Laws have been passed to overcome some manifest defects in previous legislation but the Federal Government and provinces so far do not appear to have got beyond conversation in their efforts to work out a system of organized and co-operative attack on this dark evil.

Robbery by Violence

Canadians are justly inclined to flatter themselves that robbery by violence has been made a very hazardous operation in Canada. If citizens realized that at every hour of the day some Canadians are being mulcted of hundreds of thousands of dollars by "smooth" confidence men such a public opinion would develop that jurisdictional disputes would soon be solved. All should be held responsible until they give ample evidence they are doing all that is possible.

One man, who is at present calling up citizens of Ontario and Manitoba by long distance telephone to give them red-hot tips on a mining stock which may prove good or bad in the end but which is not even listed as yet, operates from Montreal. He apparently avoids trouble in Quebec by using the long distance telephone to points outside the province. His bill for long distance telephone messages must be tremendous. As he continues to keep up the telephoning week after week, and as he claims he gets nothing but a commission, his telephone bills are apparently only a fraction of what he gets from the Canadian public. This is but one instance of what is going on.

It is folly for investors to deal with strangers. It is also indefensible that predatory alien birds should eat the Canadian corn, that is, the savings of Canadians, while Dominion and provinces squabble on the side-lines as to whose duty it is to drive them off. It becomes ever more pressing to evolve in Canada laws and a compact organization for dealing so directly with every act of bad financial faith between men and men that questions of jurisdiction cannot be raised.

ROYALITE TO BUY McLEOD PROPERTY

Agreement of Sale Subject to Several Reservations, Shareholders Learn

The oil and gas properties of McLeod Oil Co. in the Turner Valley district of Alberta are to be acquired by the Royalite Oil Co. Shareholders of McLeod Oil at a recent meeting in Calgary approved the sale of the company's fee simple lands and petroleum and natural gas leases, together with all production obtainable from dolomitic limestone in the leasehold lands and the petroleum and natural gas wells drilled to the limestone, to Royalite for a consideration of 11,000 shares of the latter company's stock. Royalite also acquires all the production machinery and equipment on the properties.

The agreement of sale, however, is subject to several reservations which provide that McLeod Oil shall plug No. 3 well to the top of the limestone in compliance with government regulations and that in the case of deepening No. 4 well Royalite Oil will pay a royalty of 12½ per cent from any production obtained, less any royalty paid to the crown. Further, McLeod Oil retains the right to drill and take production of petroleum and natural gas obtainable from any well now drilled or to be drilled in the future to petroleum and natural gas horizons situated above the dolomitic limestone.

A net deficit of $9,027 for the year ended December 31, 1933, is shown by the company's annual report which has just been issued. Revenue from production amounted to $39,183. Profit of $1,096 on naphtha purchased and $2,621 of naphtha on hand and miscellaneous items bring the total to $42,975. Operating expenses including management expense, royalties and taxes total $35,570. An amount of $16,433 was provided for depreciation on well equipment.

The balance sheet as at December 31 shows a slight improvement in the company's liquid position, working capital amounting to $6,438 as against $1,299 at the close of the previous year. Current assets are up from $6,525 to $7,590 while current liabilities are down, totalling only $1,152. Total assets are shown at $461,396. The outstanding capital stock remains the same at $266,880.

Hollinger Con. Completes Survey in Little Long Lac

From Our Own Correspondent

SUDBURY—According to word received over the week-end from Little Long Lac district, Hollinger Consolidated Gold Mines has just completed a preliminary survey of the group of 28 claims which the company recently acquired to the north and east of Little Long Lac Gold Mines workings.

Hollinger is at present prosecuting a geological survey of its ground, and by winter is expected to have complete surface information. This, it is understood, will be used for the purpose of mapping out a diamond drilling campaign which will likely be carried on largely from the ice.

At the Mines

Bradian Mines—With the shaft rapidly nearing the 500-ft. level, the company has announced its intention of establishing a station at this level, and crosscutting to the vein instead of sinking to 700-ft. level.

* * *

B.R.X. Gold Mines—Re-electing former directors, shareholders of B.R.X. Gold Mines at the annual meeting held in Vancouver recently, added Henry D. Tudor, and Hugh H. Reid to the directorate. Mr. Tudor, a Boston corporation lawyer, is taking an increasing interest in Canadian mining ventures.

* * *

Norgold Mines—Following the confusion which arose over the name of this company, which is the same as that of an Ontario company, shareholders of the B. C. Norgold Mines are being asked to sanction a change of name to Atlin Pacific Mining Co. In the meantime, listing of the shares of the Ontario company, on the Toronto Stock Exchange, has been suspended.

* * *

Sally Mines—The Wellington vein on this property in the Greenwood Mining Division of British Columbia has been found by opening up to be about three feet wide with assay returns averaging 600 oz. of silver per ton.

Mining Concerns Newly Formed

Bruell Gold Syndicate—Ont., Incorp., July 27; H.O., Toronto, Ont.; Capit. author., 10,000 shs., n.p.v.

Cripple Creek Mining & Milling Co.—Ont. Incorp., August 9; H.O., Toronto, Ont.; Capit. author., $3,000,000, par, $1.

Franklin Gold Mining Co.—Ont. Incorp., August 17; H.O.; Toronto, Ont.; Capit. author., $3,500,000, par $1.

Germac Exploration Co.—Ont. Incorp., August 10; H.O., Toronto, Ont.; Capit. author., 40,000 shs., n.p.v.

Goodwin Gold Mines—Ont. Incorp., August 7; H.O., Toronto, Ont.; Capit. author., $2,000,000, par $1.

Interlac Gold—Ont. Incorp., August 10; H.O., Toronto, Ont.; Capit. author., $500,000, par $1.

Keyroc Gold Mining Co.—Ont. Incorp., August 14; H.O., Toronto, Ont.; Capit. author., $5,000,000, par $1.

Strathy Basin Mines—Ont. Incorp., August 7; H.O., Toronto, Ont.; Capit. author., $3,000,000, par $1.

Straw Lake Beach Gold Mines Syndicate—Ont. Incorp., August 21; H.O., Toronto, Ont.; Capit. author., 150,000 shs., n.p.v.

Vimy Gold Mine—Ont. Incorp., August 7; H.O., Timmins, Ont.; Capit. author., $1,000,000, par $1.

West-Side Long Lac Mines—Ont. Incorp., August 11; H.O., Toronto, Ont.; Capit. author., $3,000,000, par $1.

Merged

Lakeside-Kirkland Gold Mines—Supplementary letters patent issued August 7, 1934 changing the name of Queen Lebel Mining Co. Ltd. to Lakeside-Kirkland Gold Mines.

Muton Long Lac Gold Mines—Supplementary letters patent issued August 2, 1934 changing the name of Muton-Champagne Gold Mines to Muton Long Lac Gold Mines Ltd.

Extinct

Nipissing Copper and Silver Co.—Incorporated Dec. 14, 1906. Charter surrendered September 10, 1934.

BOUSQUET SAY SHAFT PAST 265-FT. MARK

West River Project Only 55 Feet from Objective of 320 Feet

From Our Own Correspondent

SUDBURY—Continuing steadily toward its objective of 320 ft., the shaft at the Bousquet Gold Mines in the West River area, at the week-end had passed a depth of 265 ft., leaving about 55 ft. to go, allowing a 20-ft. sump below the 300-ft. horizon where a station will be cut.

Encouragement has been met with in the process of deepening the shaft, according to Lionel Brooke, of Sudbury, president and managing director of the company, who states that at a depth of 245 ft. a portion of the Rivers vein, on which development had been proceeding at the 150-ft. level, dipped into the shaft from the south side and remained in the workings for several ft. Channel samples over a width of 50 inches returning average values of $16.80 at the present price of gold.

Water Encountered

The shaft-sinking job has been slowed up somewhat on account of water encountered, but good progress is being made with three shifts, and it is expected the objective will be reached in about three weeks time.

The programme calls for a station at 300 ft. and lateral work on the Rivers vein, virtually a duplication of that on the 150-ft. level, where a substantial length and width of ore body were disclosed.

Cocos Islands Treasure Insured by Seekers

So certain of success are the organizers of the expedition which sailed late in August in search of hidden treasure on the famous Cocos Islands, 500 miles distant from Panama, that they have obtained $1,250,000 insurance on their potential treasure trove. Should the seekers' hopes be realized, this amount will be increased by additional covers.

The cover which Lloyd's underwriters were first asked to accept was for insurance up to £25,000,000 on gold and/or silver for the return voyage from Cocos Islands to the United Kingdom, and/or the Continent. The rate of premium quoted for the treasure was 7s. 6d. per £100 (⅜ per cent) if the journey is made in the summer, and 10s. per £100 (½ per cent) if the journey is in winter.

CONIAGAS MINES TAKES INTEREST IN STURGEON FIND

Subsidiary, Sturgeon River Gold Mines, is Formed

From Our Own Correspondent

SUDBURY—Coniagas Mines, one of the pioneer producers of the Cobalt silver camp, but whose property in that area was abandoned some years ago after an exceptionally fine record of output at record low costs under the administration of Fraser D. Reid, is continuing its sponsorship of mining ventures in other fields, particularly the newly discovered gold regions.

Coniagas, it is learned, has become interested in the Sturgeon River district, north of Beardmore, where several of the prominent mining companies have acquired ground, and where prospectors and other private interests have recently announced discoveries. Coniagas, it is stated, is taking over the claims staked by J. Wood and Tom Brown of the Wood-Brown Prospecting Syndicate, totalling about 280 acres.

Form New Company

A subsidiary company, known as Sturgeon River Gold Mines, with a capitalization of 3,000,000 shares, has been organized, and it is understood Coniagas has optioned 1,000,000 shares, as has the vendor syndicate; the vendor syndicate receives 1,000,000 shares in which Coniagas also has an interest.

Development on the property to date is said to have disclosed a vein which has been stripped for 200 ft., containing high average gold values over a narrow width. Visible gold is plentiful throughout the quartz vein of about one-foot width. Plans are being laid for an intensive programme of development.

Current Chatter From B. C. Fields

From Our Own Correspondent

VANCOUVER.—The provincial government has appointed G. L Fraser as investigator of Wayside Consolidated Gold Mines. In announcing the appointment Attorney-general Gordon Sloan said that the move should not be construed as an indication that the government believed anything was wrong with the company. However, so many contradictory reports had been made concerning the company that it was considered desirable to have an impartial and exhaustive enquiry made into the financing, stock selling and mining development in connection with Wayside.

* * *

Grange Mines Expand

Rapid progress is reported from Pavilion on the enlargement of the milling plant of Grange Mines, Ltd., from 25 to 60 tons daily. The job is expected to be finished ahead of schedule, about the middle of September. It is expected that the company will soon be producing about six tons of concentrates daily, or 180 tons a month. Values indicate a $396,000 annual output on this basis. W. L. Gilbert, president, who has been financing the property, reports that the main shaft has intersected the footwall vein, 70 ft. below No. 5 level, the vein averaging two ft. in width, with gold content of 2.25 ounces, or value of $76.50. A cyanide plant is contemplated to eliminate transportation costs and smelter losses.

* * *

Yuill To B. R. X.

Col. H. H. Yuill has gone to the B. R. X. property in the Bridge River district to direct operations at the 500-ft. level, where station and ore pockets are now being prepared. As the shear in which the hanging and foot wall strands occur has a width of at least 35 ft., care must be used in order that the ground around the shaft may not be disturbed. A drift will probably be run from the shaft for about 50 ft. before it is turned into the foot side of the shear to prospect the footwall strand which yielded high gold diamond drill values.

* * *

Important Ruling

In a ruling of considerable importance to the mining industry and to hydro-electric development in British Columbia Attorney-general Sloan has awarded the water rights of Granite Creek near Princeton, to International Placers, Ltd., cancelling the previous license held by David Jennings.

The judgment supporting the previous decision of the controller of water rights establishes the principle that while the water authorities can allow an extension of time in the completion of a water power work, they have no power to allow an extension in the start of the work beyond the period originally fixed.

Bradian Mines

Management of Bradian Mines in the Bridge River district reports that instead of sinking the No. 1 or Coronation shaft to the 700-ft. level before crosscutting to the vein, a station will be cut at the 500-ft. level and the vein there explored. The shaft will reach that level very soon. The company owns claims covering 6,300 ft. of the strike of the Pioneer-Bralorne zone lying in between the two big producers. Operations were started with a cash balance of $400,000. An option is also out on 200,000 shares to Bralco Co. and Newmont Mining Corp. of New York, thus practically assuring another $250,000 for development and equipment of the property.

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Gabrielle Shaft Down To Depth of 325 Feet

In a progress report over the signature of Geo. H. Salton, engineer for the company, Gabrielle Mines reports that the shaft is now down to 325 ft. At 320 ft. a station was cut for the shaft width. Mr. Salton states that the present intention is to concentrate work on the 320-ft. level in conjunction with a limited amount on the 200-ft. The 200-ft. level crosscut has to be advanced about 50 ft. before reaching the ore bearing greenstone formation. The 320-ft. crosscut is already in this formation and all work on this level will be in greenstone. Twenty-six men are now on the mine payroll; a company general store has been constructed; and sufficient supplies to carry the property for the four months before winter freighting commences are now being delivered, Mr. Salton reports.

Cement Output Higher

In the production of building products in the Province of Quebec for July there was a marked increase in the output of cement, a decrease in that of lime and a small increase in clay.

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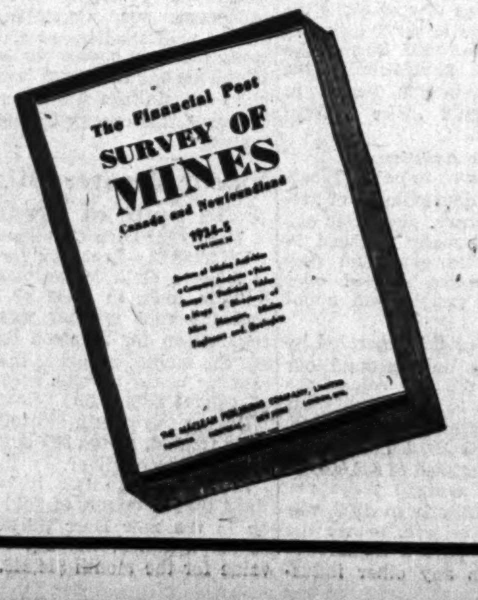

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